March 05, 2020

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (East)
Mumbai-400051

Dear Sir/Madam,

Sub.: Open offer by Allcargo Logistics Limited ("Acquirer") to the public shareholders of Gati Limited ("Target Company") for acquisition of up to 3,17,42,615 equity shares of face value of ₹2 each at a price of ₹75 per fully paid up equity share pursuant to regulations 3(1), 4 and other applicable provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SEBI (`SAST) Regulations").

This has reference to the captioned Open Offer and our letters dated December 05, 2019, December 12, 2019 and December 17, 2020 for submission of Public Announcement, Detailed Public Statement, and Draft Letter of Offer (DLOF) respectively.

This is to inform you that SEBI has provided final Observation Letter on DLOF on February 25, 2020 and post that we are in the process of dispatching Letter of Offer (LOF) to Public Shareholders of Target Company. The Open Offer is scheduled to open on Friday, March 13, 2020 and close on Friday, March 27, 2020.

Please find enclosed soft copy of Letter of Offer for your records.

Yours faithfully

For Inga Ventures Private Limited

K. R. Shah

INGA VENTURES PVT. LTD. MUMBAI

Name: Kavita Shah
Designation: Partner

Encl: As above.

LETTER OF OFFER

"THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION"

*This Letter of Offer **("LOF")** is sent to you as an equity shareholder of Gati Limited **("Target Company")**. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer / Registrar to the Offer. In case you have recently sold your Equity Shares in the Target Company, please hand over the Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement (as defined below) to the member of stock exchange (as defined below) through whom the said sale was effected.*

Open Offer by

ALLCARGO LOGISTICS LIMITED ("ACQUIRER")

having its Registered Office at: 6th Floor, Avvashya House, CST Road, Kalina, Santacruz (East), Mumbai 400098 Maharashtra, India; **Tel. No:** 022 66798100; **Fax:** 022 66798195,

Email id:investor.relations@allcargologistics.com; **Website: www.**allcargologistics.com;

CIN: L63010MH2004PLC073508

to acquire up to 3,17,42,615 fully paid-up Equity Shares of face value of ₹2 each, representing 26% of the Expanded Voting Share Capital (as defined below) of

GATI LIMITED ("Target Company")

Registered Office: Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana – 500084; **Tel. No.:** 040-7120 4284; **Fax No.:** 040-2311 2318; **Email id:** investor.services@gati.com; **Website:** www.gati.com;

CIN: L63011TG1995PLC020121.

at a price of ₹75 per fully paid-up Equity Share payable in cash pursuant to Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto **("SEBI (SAST) Regulations")** from the Public Shareholders of the Target Company

1. This Open Offer (as defined below) is being made by the Acquirer pursuant to Regulations 3(1) and 4 and other applicable provisions of the SEBI (SAST) Regulations.
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of the SEBI (SAST) Regulations.
3. **This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.**
4. To the best of the knowledge of the Acquirer, as on the date of this Letter of Offer, there are no statutory or other approvals required to complete the Open Offer, except receipt of in-principle approval from the Stock Exchanges (as defined below) for listing of the Subscription Shares (as defined below), which has been received.
5. If there is any upward revision in the Offer Price and / or Offer Size at any time up to 1 (One) Working Day (as defined below) prior to commencement of the Tendering Period i.e., up to Wednesday, March 11, 2020, in terms of Regulation 18(4) of the SEBI (SAST) Regulations, the same would be informed by way of an announcement in the same newspapers where the Detailed Public Statement was published. The revised price payable pursuant to such revision of the Offer Price would be payable for all the Equity Shares validly tendered at any time during the Tendering Period and accepted under the Open Offer. If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, the same would be communicated within 2 (Two) Working Days by an announcement in the same newspapers in which the Detailed Public Statement was published.
6. **There was no competing offer to this offer and the last date for making such competing offer has expired.**
7. Copies of Public Announcement **("PA"),** Detailed Public Statement **("DPS")** and Draft Letter of Offer **("DLOF")** are available on the website of Securities and Exchange Board of India (**"SEBI**") i.e. www.sebi.gov.in and copy of this Letter of Offer (including form of acceptance cum acknowledgement) will be available on the website of SEBI.

All future correspondence, if any, should be addressed to the Manager to the Offer/ Registrar to the Offer at the addresses mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Inga Ventures Private Limited 1229, Hubtown Solaris, N.S. Phadke Marg, Opp. Telli Galli, Andheri (East), Mumbai 400 069; Maharashtra, India; **Tel. No.:** +91 22 26816003; **Fax No.:** +91 22 26816020; **Email:**gatiopenoffer@ingaventures.com; **Contact Person:** Kavita Shah **SEBI Registration No:** INM000012698 CIN: U67100MH2018PTC318359	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India; **Tel No.:** +91 22 4918 6200; **Fax No.:** +91 22 4918 6195; **Email:** gati.offer@linkintime.co.in; **Contact Person:** Mr. Sumeet Deshpande **SEBI Registration No:** INR000004058 CIN: U67190MH1999PTC118368

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

	Activity	Schedule disclosed in DLOF (Day and Date)	Revised Schedule (Day and Date)
1	Issue of PA	Thursday, December 05, 2019	Thursday, December 05, 2019
2	Publication of DPS in newspapers	Thursday, December 12, 2019	Thursday, December 12, 2019
3	Last date for Filing of draft letter of offer with SEBI	Thursday, December 19, 2019	Thursday, December 19, 2019
4	Last date for public announcement of a competing offer*	Friday, January 03, 2020	Friday, January 03, 2020
5	Last date for receipt of comments from SEBI on the draft letter of offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	Friday, January 10, 2020	Tuesday, February 25, 2020**
6	Identified Date[#]	Tuesday, January 14, 2020	Thursday, February 27, 2020
7	Last date for dispatch of the Letter of Offer to the Public Shareholders	Tuesday, January 21, 2020	Thursday, March 5, 2020
8	Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the Public Shareholders of the Target Company for this Offer	Friday, January 24, 2020	Wednesday, March 11, 2020
9	Last date for upward revision of the Offer Price and/or the Offer Size	Monday, January 27, 2020	Wednesday, March 11, 2020
10	Date of publication of advertisement for Offer opening	Monday, January 27, 2020	Thursday, March12, 2020
11	Commencement of tendering period **("Offer Opening Date")**	Tuesday, January 28, 2020	Friday, March 13, 2020
12	Closure of tendering period **("Offer Closing date")**	Monday, February 10, 2020	Friday, March 27, 2020
13	Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	Wednesday, February 26, 2020	Thursday, April 16, 2020
14	Last date for publication of post-Offer public announcement in the newspapers in which DPS has been published	Wednesday, March 04, 2020	Thursday, April 23, 2020

**There was no competing offer.*

***Actual date of receipt of SEBI's final observations on the DLOF.*

[#]Date falling on the 10th (Tenth) working day prior to commencement of the Tendering Period, for the purposes of determining the eligible shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders (as defined below) are eligible to participate in this Offer at any time prior to the closure of the Tendering Period.

Note: Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.

RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION, THE PROPOSED OPEN OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRER:

A. Relating to underlying transaction

a. The obligation of the Acquirer to purchase the Sale Shares is subject to the fulfillment or waiver of each of the conditions precedent set out in the SPA, which include among others, the Sellers having caused Gati and Gati having obtained necessary consents from its lenders in respect of the Transaction contemplated under the SPA;

b. Some of the SPA Shares, namely, 16,71,666 Equity Shares held in demat form by Mr. Mahendra Kumar Agarwal ("**Attached Shares"**) are stated to be attached pursuant to Order dated December 05, 2019 of the Additional Family Court, City Civil Court, Hyderabad (**"Attachment Order"**) as communicated by an email dated December 07, 2019 received from Ms. Neera Agarwal. **The Acquirer has been informed that the Attached Shares were pledged and invoked by the pledgee. Acquirer has undertaken not to purchase the Attached Shares from Mr. Mahendra Kumar Agarwal's pledgee and abide by this injunction order**. **The Acquirer will acquire the Attached Shares with good and valid title free from all encumbrances after the said Attachment Order is set aside or being vacated.** This will result into partial completion of SPA or delayed completion of SPA.

c. The obligation of the Target Company to allot the Subscription Shares to the Acquirer under SSA shall be subject to the transaction contemplated in the SPA having been consummated, except to the extent an order of a competent court against a Promoter restraining the consummation of sale of the whole or any part of the Sale Shares contemplated under the SPA on the ground of a legal challenge to the authority of such Promoter to consummate his/its part of the sale of all or any part of the sale shares under the SPA **("Restraining Order Transaction")**.

d. Ms. Neera Agarwal, Mr. Dhruv Agarwal and Mr. Manish Agarwal, wife and children of Mr. M.K. Agarwal, one of the Sellers and part of the promoter group of TCI Finance Ltd. have filed Petition No. 810/241/HDB/ 2019 dated December 07, 2019 (served on the Acquirer on December 16, 2019) with the National Company Law Tribunal **("NCLT")**, Hyderabad Bench, seeking to restrain TCI Finance Ltd. from alienating its shares of the Target Company. As on date, no interim relief is granted. In the event, the NCLT restrains TCI Finance Limited from selling its shares of the Target Company, the terms of the SPA and the SSA clearly provide that the open offer shall continue to be valid and will be completed as per terms of the SPA and the SSA and as per Applicable the Law.

e. To the best of the knowledge of the Acquirer, following are the pending litigations against the Sellers of the SPA Shares which may result in partial or delayed completion of SPA:

Sr. No.	Complaint / Petition/ Order No	Complainant / Petitioner	Filed with	Date of complaint/ petition/ Order	Matter	Status as on today
1	EA No.61 of 2019 in EP No. 32 of 2019	Neera Agarwal	Addl. Family court , City Civil Court	December 05, 2019	Attachment of 16,71,666 equity shares held by Mahendra Kumar Agarwal	As informed by Target Company, as on date there is an attachment order for 16,71,666 number of shares.
2	535/241/HDB/2019	Neera & Children Trust	NCLT	September 2019	Oppression and mismanagement at Gati Limited	On February 6, 2020, waiver application filed by Petitioner u/s 244(1)(a) of the Companies Act, 2013 was granted and matter is kept on March 2, 2020 for hearing Interim applications and filing counter. We understand from Target Company that

						they are in the process of filing appeal challenging an order dated February 6, 2020, in view of this matter kept on March 2, 2020 was adjourned to March 25, 2020
3	810/241/HDB/ 2019	Neera Agarwal, Dhruv Agarwal and Manish Agarwal	NCLT	December 07, 2019	Interim relief to restrain TCI Finance to alienate shares of Gati Limited and restraining acquirer and Manger to the Open Offer with respect to Open Offer	On February 28, 2020, the Acquirer had filed its detailed reply, matter is now adjourned to March 23, 2020 for completing pleading by all other parties.
4	CEP no. 16 of 2019	"Small is Beautiful" fund	XXIV Additional Chief judge Commercial Court , City civil court At Hyderabad	December 07, 2019	Interim Application in Execution Petition with regard to award passed in arbitration against Amrit Jal Ventures Private Limited, Mr. Mahendra Kumar Agarwal and Mahendra Investment Advisors Pvt. Limited	The matter is kept on March 10, 2020 for argument.
5	CARB Op 18 of 2020	SEW Infrastructure Limited	Commercial Court, City Civil Court at Hyderabad	As of March 2, 2020, Acquirer had not received any summons	Petition u/s 9 of the Arbitration and Conciliation Act, 1996 praying for interim reliefs restraining order with regard to part of SPA Shares	Please refer note 1 & 2 below

Notes:

1. We have received a notice dated January 25, 2020 from the Advocate on behalf of SEW & Prasad – Joint venture on January 28, 2020 via registered post. The subject matter of the said Notice is with regard to a purported claim against Amrit Jal Ventures Private Limited, Gati Infrastructure Pvt. Ltd., Mahendra Kumar Agarwal and Mahendra Investment Advisors Private Limited, to which we are neither a party nor has any relation. In fact, the purported claim appears to be a contractual claim and not against the equity shares held by Mahendra Kumar Agarwal and Mahendra Investment Advisors Private Limited in the Target Company. By our reply dated February 04, 2020, we have stated that our SPA with Mahendra Kumar Agarwal and

Mahendra Investment Advisors Private Limited is independent of any purported claim, and in no manner connected with any alleged relationship with, or purported claim against Mahendra Kumar Agarwal and Mahendra Investment Advisors Private Limited. It is important to note that Gati Limited, the Target Company neither holds any shares in nor is in any manner connected with Amrit Jal Ventures Private Limited and Gati Infrastructure Pvt. Ltd.

2. Further, on February 29, 2020 we have received information from the Target Company that SEW Infrastructure Limited have filed CARB OP No. 18 of 2020 u/s 9 of the Arbitration and Conciliation Act, 1996 before Commercial Court, Hyderabad wherein they have prayed for interim relief as (i) issue of interim injunction against Mahendra Investment Advisors Private Limited (MIAPL) & Mahendra Kumar Agarwal (MKA) restraining them from alienating the SPA Shares held by them to any third parties; (ii) issue an order directing MIAPL & MKA to furnish security for an amount equivalent to the outstanding payable by Amrit Jal i.e. an amount of Rs. 9,84,43,400/- ; (iii) issue an order of attachment before judgement of SPA shares belonging to MIAPL and MKA, the matter is likely to be listed/scheduled on March 03, 2020. In view of reply dated February 04, 2020 by the Acquirer, though the Acquirer is made a formal party to this legal proceeding, no relief is prayed against the Acquirer and as on the date the Acquirer has not received summons from Hon'ble Court.

f. Obligation of the Acquirer to subscribe to the Subscription Shares shall be conditional on the fulfillment of conditions precedent as set out in the SSA (unless waived by the Acquirer), which include, among other the following:

i. Obtaining the 'in-principle' approval from BSE and NSE for the issue and allotment of the Subscription Shares to Acquirer, which has been received.

ii. Obtaining shareholders' approval for the Preferential Issue which has been received.

iii. Appointment of 1 nominee of the Acquirer as an additional director on the board of Target Company, at any time after the expiry of 15 (fifteen) working days from the date of the Detailed Public Statement.

iv. Receipt of all waivers, permits and third party consents (including but not limited to consents from lenders), as may be required by the Company for the consummation of the transactions contemplated in the SSA

g. The transactions contemplated under the Preferential Issue, SSA and SPA are subject to completion risks as would be applicable to similar transactions.

B. Relating to the Offer

a. To the best of the Acquirer's knowledge, except as mentioned in Paragraph 7.14 of this LOF, the Offer is not subject to the receipt of any statutory, regulatory and or other approvals / no objections The approval mentioned in Paragraph 7.14 of this LOF has been received. In the event that (a) any other statutory approvals are required by the Acquirer at a later date prior to the completion of this Offer, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals; (b) there is delay in receipt of any applicable statutory approvals; (c) there is any litigation leading to a stay on the Open Offer; or (d) SEBI instructs the Acquirer not to proceed with the Open Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this LOF. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares have been accepted in this Open Offer as well as return of the Equity Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non - receipt of statutory approval(s) in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not on account of any willful default or negligence on the part of the Acquirer, grant extension for the purpose of completion of this Open Offer subject to such terms and conditions as may be specified by SEBI including Acquirer agreeing to pay interest to the Public Shareholders at such rate as may be prescribed by SEBI.

b. Where the required statutory or other approvals apply to some but not all of the Public Shareholders, the Acquirer will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.

c. The Acquirer will not proceed with the Open Offer in the event statutory approvals, as required, are refused in terms of Regulation 23(1) of SEBI (SAST) Regulations. In the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager to the Offer) shall make an announcement of such withdrawal within 2 (Two) Working Days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations. In such an event, the Acquirer shall not acquire the Equity Shares pursuant to the SSA and SPA also. However, as on the date of LOF, Acquirer has received statutory approval mentioned in paragraph 7.14 of this LOF, and the Preferential Issue has been completed in the manner set out in the SSA.

d. Equity Shares cannot be withdrawn once tendered in the Open Offer, even if the acceptance of Equity Share under the Offer and dispatch of consideration is delayed. During such period, there may be fluctuations in the

market price of the Equity Shares of the Target Company. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer and/or Clearing Corporation notwithstanding delay in acceptance of the Equity Shares in this Offer and dispatch of payment consideration. Accordingly, the Acquirer and Manager to the Offer make no assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision taken by the Public Shareholders on whether or not to participate in this Offer.

e. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis as per SEBI (SAST) Regulations and hence there is no certainty that all Equity Shares tendered by the Public Shareholders in the Offer will be accepted.

f. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, DLOF, LOF or in the post Offer advertisement or any corrigendum or any materials issued by or at the instance of the Acquirer or the Manager to the Offer in relation to the Offer, and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

g. If holders of the Equity Shares who are not person resident in India (including NRIs, OCBs, FIIs and FPIs) were required to obtain any approvals (including from the RBI or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.

h. This LOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of the LOF, resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.

i. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax implications pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer does not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this LOF.

C. Relating to the Acquirer

a. The Acquirer and Manager to the Offer makes no assurance with respect to the financial performance or the future performance of the Target Company and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Open Offer. The Public shareholders should not be guided by the past performance of Acquirer or any of their group companies while arriving at their decision to participate in the Open offer.

b. The Acquirer and Manager to the Offer make no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.

c. The Acquirer and Manager to the Offer do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon completion of this Open Offer.

D. Other Risk

As disclosed in Paragraph 5.16 of this LOF, the promoter acquirers of Transaction 2014 have claimed exemption from open offer under Regulation 10(1)(a)(i) of the SEBI SAST Regulation. The same is being examined by SEBI for open offer violation. Therefore, the said acquirers of Transaction 2014 are liable for appropriate action by SEBI in this regard.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer but are only indicative in nature. The risk factors set forth above pertain to the transaction, the Offer and the Acquirer and do not pertain to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by Public Shareholder in the Offer. Public Shareholders of the Target Company are advised to consult their stockbroker, tax advisors or investment consultant, for understanding any other risks with respect to their participation in the Offer.

CURRENCY OF PRESENTATION

In this LOF, all references to Rs. / Rupees / "₹" are to Indian Rupee(s), the official currency of India.

In this LOF, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

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1 DEFINITIONS

Acquirer / Allcargo	Allcargo Logistics Limited
BSE	BSE Limited
CIN	Corporate Identification Number
CDSL	Central Depository Services (India) Limited
Clearing Corporation	Indian Clearing Corporation Limited
Depositories	CDSL and NSDL
DIN	Director Identification Number
DLOF	The Draft Letter of Offer dated December 17, 2019
DPS / Detailed Public Statement	Detailed Public Statement published in newspapers on December 12, 2019
DP	Depository Participant
EPS	Earnings per share
Equity Share(s)	Fully paid-up equity shares of the Target Company of face value of ₹2/- each
Escrow Agreement	Escrow Agreement dated December 05, 2019 entered into between the Acquirer, Escrow Banker and Manager to the Offer
Escrow Banker	Standard Chartered Bank
Expanded Voting Share Capital	Total voting equity share capital of the Target Company on a fully diluted basis expected as the 10th working day from the closure of the tendering period for the Offer being 12,20,86,977 Equity Shares. This Includes: (i) existing voting share capital of 10,86,12,637 Equity Shares (ii) 1,33,33,340 Equity Shares allotted by the Target Company to the Acquirer in terms of the SSA (as defined below), as approved by the shareholders of the Target Company and on receipt of other statutory / regulatory approvals and (iii) 1,41,000 employee stock options already granted, or which shall vest prior to March 12, 2020.
FEMA	The Foreign Exchange Management Act, 1999, and the rules and regulations framed thereunder, as amended or modified from time to time
FII	Foreign Institutional Investor as defined under FEMA
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
Identified Date	The date falling on the 10th(Tenth) Working Day prior to the commencement of the Tendering Period for the purposes of determining the Public Shareholders to whom the LOF shall be sent.
Income Tax Act	Income Tax Act, 1961
LOF	This Letter of Offer dated March 2, 2020
Manager to the Offer / Merchant Banker	Inga Ventures Private Limited
NRI	Non Resident Indian as defined under FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB(s)	Overseas Corporate Bodies
Offer or Open Offer	Open Offer for acquisition of up to 3,17,42,615 fully paid up Equity Shares of face value of ₹2 each being 26% of the Expanded Voting Share Capital of the Target Company at a price of ₹75 per Equity Share payable in cash
Offer Price	₹75/- (Rupees Seventy Five Only) per Equity Share payable in cash
Offer Size	Up to 3,17,42,615 (Three Crores Seventeen Lakhs Forty Two Thousand Six Hundred Fifteen) fully paid up Equity Shares of face value of ₹2 each being 26% of the Expanded Voting Share Capital of the Target Company amounting to ₹ 238,06,96,125/-.
PA	Public Announcement dated December 05, 2019
Preferential Allotment/ Preferential Issue	Preferential issue of the Subscription Shares to the Acquirer by the Target Company
Public Shareholders	All the equity shareholders of the Target Company excluding (i) Acquirer; (ii) parties to the SPA and SSA (as defined below); and (iii) any persons acting in concert or deemed to be acting in concert with the persons set out in (i) and (ii).
RBI	The Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited
Rs. or Rupees or ₹	Indian Rupees
Sale Shares	Up to 1,03,85,332 Equity Shares a) includes 16,71,666 Equity Shares held in demat form by Mr. Mahendra Kumar

	Agarwal are stated to be attached pursuant to Order dated December 05, 2019 of the Additional Family Court, City Civil Court, Hyderabad as communicated by an email dated December 07, 2019 received from Ms. Neera Agarwal. **However, the Acquirer undertakes to abide by the Attachment Order and agrees to acquire Attached Shares with good and valid title free from all encumbrances only when the said Attachment Order is set aside or being vacated.** b) includes up to 9,67,000 Equity Shares of the Target Company which pursuant to the order of the Hon'ble High Court at Kolkata are to be restored to TCI Finance Limited, and which would form part of Sale Shares if restored prior to the Completion Date as defined in SPA representing up to 8.51% of the Expanded Voting Share Capital. c) One of the Seller's family members have sought to injunct the sale of Equity Shares of the Target Company held by the Seller viz. TCI Finance Limited, in a petition filed before the National Company Law Tribunal, Hyderabad Bench, dated December 07, 2019, received on December 16, 2019. The matter is pending for the next hearing on March 23, 2020. As on the time of filing of this LOF, no orders have been passed.
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI LODR, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
Seller(s)	Mahendra Kumar Agarwal, TCI Finance Limited and Mahendra Investment Advisors Private Limited
SPA	Share Purchase Agreement dated December 05, 2019 entered among Allcargo Logistics Limited **("Acquirer")**, Mahendra Kumar Agarwal, TCI Finance Limited and Mahendra Investment Advisors Private Limited. **("Sellers")** and Target Company **("Confirming Party")** for purchase of up to 1,03,85,332 Equity Shares (including a) 16,71,666 Equity Shares held in demat form by Mr. Mahendra Kumar Agarwal are stated to be attached pursuant to Order dated December 05, 2019 of the Additional Family Court, City Civil Court, Hyderabad as communicated by an email dated December 07, 2019 received from Ms. Neera Agarwal. b) up to 9,67,000 Equity Shares of the Target Company which pursuant to the order of the Hon'ble High Court at Kolkata are to be restored to TCI Finance Limited, and which would form part of Sale Shares if restored prior to the Completion Date as defined in SPA, c) One of the Seller's family members have sought to injunct the sale of Equity Shares of the Target Company held by the Seller viz. TCI Finance Limited, in a petition filed before the National Company Law Tribunal, Hyderabad Bench, dated December 07, 2019, received on December 16, 2019. The matter is pending for the next hearing on March 23, 2020. As on the time of filing of this LOF, no orders have been passed restraining the Open Offer). Equity Shares at a price of ₹75 per Equity Share **("SPA Shares")**, for a total consideration of ₹77,88,99,900/-.
SSA	Share Subscription Agreement dated December 05, 2019 entered into among the Acquirer, Target Company and some of the existing members of promoter and promoter group of the Target Company viz. Mahendra Kumar Agarwal, TCI Finance Limited and Mahendra Investment Advisors Private Limited, prescribing the details of the Preferential Allotment approved by the board of directors of the Target Company vide board resolution dated December 05, 2019 **("Board Resolution")**, authorizing the issuance and allotment of 1,33,33,340 Equity Shares at a price of ₹75 per Equity Share **("SSA Shares")**, to the Acquirer by way of a preferential allotment **("Preferential Allotment")** for a total consideration of ₹1,00,00,00,500/-
Stock Exchanges	BSE and NSE
Subscription Amount	₹1,00,00,00,500/-
Subscription Shares	1,33,33,340 Equity Shares of the Target Company representing 10.92% of the Expanded Voting Share Capital
Target Company / Gati	Gati Limited
Tendering Period	Period commencing from March 13, 2020 (Friday) and closing on March 27, 2020 (Friday), both days inclusive.

<table>
<tr><td>Transaction 2014</td><td>Mr. R K Bansal had transferred 28,62,488 shares (3.28% of outstanding capital of Target Company as on the date of transfer) to the following promoters of Gati Limited on December 12, 2014

<table><tr><th>Name of the promoter acquirer</th><th>No. of Shares</th><th>% of shares</th></tr><tr><td>Mahendra Kumar Agarwal</td><td>5,77,498</td><td>0.66</td></tr><tr><td>Mahendra Kumar Agarwal HUF</td><td>11,54,995</td><td>1.32</td></tr><tr><td>Neera & Children Trust</td><td>11,29,995</td><td>1.29</td></tr><tr><td>Total</td><td>28,62,488</td><td>3.28</td></tr></table></td></tr>
<tr><td>TRS</td><td>Transaction Registration Slip</td></tr>
<tr><td>Working Days</td><td>Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations</td></tr>
</table>

Notes:

(i) All capitalized terms used in this LOF and not specifically defined herein shall have the meaning ascribed to them in the SEBI (SAST) Regulations.

(ii) In this LOF, any reference to the singular will include the plural and vice-versa.

2 DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF GATI LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER "INGA VENTURES PRIVATE LIMITED" HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 17, 2019 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

3 DETAILS OF THE OFFER

3.1. Background of the Offer

3.1.1 This Open Offer is being made in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, as a result of a direct substantial acquisition of Equity Shares and voting rights and control over the Target Company by the Acquirer, pursuant to the Board Resolution approving the Preferential Issue, SSA and SPA.

3.1.2 The board of directors of the Target Company passed a Board Resolution on December 05, 2019 authorizing a Preferential Issue of 1,33,33,340 Equity Shares, representing 10.92% of the Expanded Voting Share Capital of the Company, to the Acquirer, at price of ₹75 per Equity Share, aggregating to ₹1,00,00,00,500/-. The Preferential Issue is subject to *inter-alia* receipt of the approval from the shareholders of the Target Company and receipt of necessary statutory / regulatory approvals. In relation to the said Preferential Issue, on December 05, 2019, the Acquirer, Target Company and some of the existing members of promoter and promoter group of the Target Company viz. Mahendra Kumar Agarwal, TCI Finance Limited and Mahendra Investment Advisors Private Limited, entered into the SSA.

Furthermore, on December 05, 2019, the Acquirer has entered into a SPA with the Sellers. Pursuant to the SPA, the Acquirer has agreed to acquire SPA Shares representing up to 8.51% of the Expanded Voting Share Capital

of the Target Company at a price of ₹75/- per Equity Share, aggregating to a purchase consideration of up to ₹77,88,99,900/- payable in cash as below:

Sr. No.	Name of the Seller	Number of Equity Shares	% of existing fully paid-up equity share capital and voting capital	% of Expanded Voting Share Capital
1.	Mahendra Kumar Agarwal	#Up to 22,07,703	2.03	1.81
2	TCI Finance Limited**	*Up to 51,49,635	4.74	4.22
3	Mahendra Investment Advisors Private Limited	Up to 30,27,994	2.79	2.48

 # wherefrom 16,71,666 Equity Shares held in demat form by Mr. Mahendra Kumar Agarwal are stated to be attached pursuant to Order dated December 05, 2019 of the Additional Family Court, City Civil Court, Hyderabad as communicated by an email dated December 07, 2019 received from Ms. Neera Agarwal.

** includes shares up to 9,67,000 Equity Shares of the Target Company which pursuant to the order of the Hon'ble High Court at Kolkata are to be restored to TCI Finance Limited, and which would form a part of the Sale Shares if restored prior to the Completion Date as defined in SPA;*

***One of the Seller's family members have sought to injunct the sale of Equity Shares of the Target Company held by the Seller viz. TCI Finance Limited, in a petition filed before the National Company Law Tribunal, Hyderabad Bench, dated December 07, 2019, received on December 16, 2019. The matter is pending for hearing. As on the time of filing of this LOF, no orders have been passed.*

3.1.3 The details of the Equity Shares to be (i) acquired under the SPA, by the Acquirer and (ii) issued and allotted pursuant to the SSA to the Acquirer, are as follows:

Sr. No.	Nature of transaction	Number of Equity Shares	% of Expanded Voting Share Capital
1.	SPA	Up to 1,03,85,332	Up to 8.51
2	SSA	1,33,33,340	10.92
	Total	**Up to 2,37,18,672**	**Up to 19.43**

3.1.4 The shareholders of the Target Company have approved Preferential Allotment of SSA Shares vide Special Resolution passed at their Extraordinary General Meeting held on January 07, 2020. The NSE and BSE have granted in-principle approval for listing of SSA Shares issued pursuant to Preferential Issue on January 07, 2020 and on January 10, 2020 respectively. Further, the Board has allotted SSA Shares to Acquirer vide their meeting held on January 21, 2020. However, trading approval for SSA Shares is still awaited. The Acquirer has deposited 100% of the maximum consideration payable to the Public Shareholders under the Open Offer. The Preferential Issue has been completed in the manner set out in the SSA in accordance with Regulation 22(2) of the SEBI (SAST) Regulations, prior to the completion of the open offer.

3.1.5 Further, in accordance with Regulation 22(2) of the SEBI (SAST) Regulations the Acquirer partly completed the Acquisition of 62,88,399 shares under SPA on January 28, 2020 through open market purchase at SPA Price. **Further, the Acquirer undertakes to abide by the Attachment Order and agrees to acquire Attached Shares with good and valid title free from all encumbrances only when the said Attachment Order is set aside or being vacated.**

3.1.6 The salient features of the SPA are as under:

a. Appointment of Acquirer's directors: Immediately after the expiry of 15 working days from the date of the Detailed Public Statement and prior to completion, the Sellers shall at option of Acquirer, procure that a board meeting of the Target Company is held at which 1 (one) nominee of the Acquirer is appointed as an additional director on the board of the Target Company in terms of Regulation 24(1) of the SEBI (SAST) Regulations.

b. Further on Completion Date as per SPA, the Sellers shall procure that a board meeting of the Target Company and its relevant subsidiaries are held at which resignation of Sellers and/or their nominees on the board of the Target Company and its subsidiaries and associate companies shall be accepted and directors nominated by Acquirer should be appointed as an additional director on board of Target Company's subsidiaries and associates as per the SEBI (SAST) Regulations.

c. Non-Compete and Non Solicitation: The Sellers are subject to certain non – compete and non- solicit restrictions as set out in the SPA. No separate consideration is payable for the same.

d. Trade name: The Sellers shall be entitled to continue the use of tradename 'Gati' without any consideration in relation to the Permitted Companies (as defined in SPA) for a period of 24 (twenty-four) months from the Completion Date. For this purpose, the Acquirer shall cause the Target Company to provide no-objection letters to or enter into license agreements with the Sellers and the Permitted Companies.

e. Conditions to Completion: The Sellers having caused the Target Company to obtain, and the Target Company having obtained, necessary consents from its lenders in respect of the share sale and purchase transaction contemplated under the SPA.

For further details of SPA, Public Shareholders of the Target Company may refer to the SPA, which would be available to them for inspection during the Tendering Period at the office of the Manager to the Offer.

3.1.7 Salient features of the SSA

a. The obligation of the Target Company to allot the Subscription Shares to the Acquirer shall be subject to the transaction contemplated in the SPA having been consummated, except to the extent an order of a competent court against a Promoter restraining the consummation of sale of the whole or any part of the Sale Shares contemplated under the SPA on the ground of a legal challenge to the authority of such Promoter to consummate his/its part of the sale of all or any part of the Sale Shares under the SPA **("Restraining Order Transaction")**.

b. Obligation of the Acquirer to subscribe to the Subscription Shares shall be conditional on the fulfillment of conditions precedent as set out in the SSA (unless waived by the Acquirer), which include, among other the following:

i. Obtaining the 'in-principle' approval from BSE and NSE for the issue and allotment of the Subscription Shares to Acquirer.

ii. Obtaining shareholders' approval for the Preferential Issue

iii. Appointment of 1 (one) nominee of Acquirer as an additional director on the board of the Target Company, at any time after the expiry of 15 (fifteen) working days from the date of the Detailed Public Statement.

iv. Receipt of all waivers, permits and third party consents (including but not limited to consents from lenders), as may be required by the Company for the consummation of the transactions contemplated in the SSA

c. The board of the Target Company shall allot and issue Subscription Shares to Acquirer within 15 days from the date of passing shareholders resolution

d. In the event that on the date of Completion, as per SSA there exists a Restraining Order Transaction in respect of SPA, the board of Target Company shall approve the appointment of such number of additional directors to be nominated by the Acquirer to form a majority of the board of the Target Company.

3.1.8 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

3.1.9 As on the date of this LOF, Mr. Shashi Kiran Shetty and Mr. Kaiwan Kalyaniwalla, directors of the Acquirer are also appointed as Additional, Non Executive and Non Independent Directors on the board of directors of the Target Company w.e.f. February 04, 2020. Their appointments are in compliance with Regulation 22 (2) and Regulation 24(1) of SEBI (SAST) Regulations and as per terms of SPA and SSA.

3.1.10 As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the board of directors of the Target Company is required to constitute a committee of independent directors, to provide its written reasoned recommendation on the Offer, to the Public Shareholders of the Target Company and such recommendation shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period, in the same newspapers where the DPS was published.

3.1.11 Upon completion of the Open Offer, assuming full acceptances, the public shareholding of the Target Company will not fall below minimum level of public shareholding as required to be maintained as per Rule 19A(1) of the SCRR and Regulation 38 of SEBI LODR, 2015.

3.1.12 Upon completion of the Open Offer, the Seller and the members of promoter and promoter group of the Target Company may be categorized in the public category of the Target, in accordance with Regulation 31A of SEBI LODR, 2015.

3.1.13 Upon completion of the Open Offer, Acquirer shall be categorized as promoter of the Target Company, in accordance with Regulation 31A(5) of the SEBI LODR, 2015.

3.2. Details of the Proposed Offer

3.2.1 In accordance with Regulation 14(3) of the SEBI (SAST) Regulations, the DPS was published in the following newspapers on Thursday, December 12, 2019:

Newspaper	Language	Editions
Financial Express	English national daily	All editions
Jansatta	Hindi national daily	All editions
Mumbai Lakshadeep	Marathi daily	Mumbai
Nava Telangana	Telugu daily	Hyderabad

(The DPS is also available on the website of SEBI i.e. www.sebi.gov.in)

3.2.2 This Open Offer is being made under Regulations 3(1) and 4 of the SEBI (SAST) Regulations, to all the Public Shareholders of the Target Company for acquisition of up to 3,17,42,615 fully paid –up Equity Shares of face value of ₹ 2 each representing 26% of the Expanded Voting Share Capital of the Target Company at a price of ₹75 per Equity Share payable in cash and subject to the terms and conditions set out in the DPS, DLOF and LOF that will be sent to all Public Shareholders of the Target Company.

3.2.3 There are no partly paid-up Equity Shares in the Target Company.

3.2.4 This Open Offer is not a competing offer and there was no competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

3.2.5 This Offer is not conditional upon any minimum level of acceptance from the Public Shareholders of the Target Company in terms of Regulation 19(1) of the SEBI (SAST) Regulations.

3.2.6 The Acquirer has acquired 2,54,03,340 Equity Shares of the Target Company after the date of PA, i.e. December 05, 2019 and up to the date of this LOF. This includes: (i) 1,33,33,340 Equity Shares acquired under SSA, (ii) 62,88,399 Equity Shares acquired under SPA and (iii) 57,81,601 Equity Shares acquired through open market.

Sr. No.	No. of Shares Acquired	% of Expanded Voting Share Capital	Mode of Acquisition	Acquisition Price (₹)
1	1,33,33,340 Equity Shares acquired under SSA	10.92	Preferential Issue	75
2	62,88,399 Equity Shares acquired under SPA*	5.15	Open Market	75
3	57,81,601 Equity Shares acquired from Open Market during January 13, 2020 to January 28, 2020	4.74	Open Market	71.80 average price per share

*Equity Shares acquired under SPA, does not includes Attached Shares pursuant to Attachment Order. **Further, the Acquirer undertakes to abide by the Attachment Order and agrees to acquire Attached Shares with good and valid title free from all encumbrances only when the said Attachment Order is set aside or being vacated.**

3.2.7 There is no differential pricing for this Offer.

3.3. Object of the Offer

3.3.1 The prime objective and purpose for the Acquirer to enter into the transactions contemplated is to achieve substantial acquisition of Equity Shares and voting capital, accompanied with effective management control over the Target Company.

3.3.2 Target Company has a Pan India network reach in surface express and Acquirer believes that this industry is expected to grow very fast in the next few years, with GST implementation acting as a catalyst. Acquirer is not in the express industry currently and wants to enter into it to create integrated logistics services. The Acquirer proposes to enter the express supply chain industry through this acquisition. Acquirer has an experience and history of entering into varied segments of logistics business and turning them around. Acquisition of the Target Company would help the Acquirer to offer intermodal integrated supply chain solutions leveraging technology and 20000+ pin code network. Therefore, the Acquirer intends to extend support to continue and expand the existing business activities in same line through exercising effective management over the Target Company. However, the Acquirer does not have any definitive future plans as on the date of the DPS.

3.3.3 Subsequent to the completion of the Offer, the Acquirer reserves the right to streamline /restructure the operations, assets, liabilities and/or businesses of the Target Company through arrangement/reconstruction, restructuring,

merger and/or sale of assets or undertakings, at a later date. The Acquirer may also dispose of or otherwise encumber any assets or investments of the Target Company through sale, lease, reconstruction, restructuring and/or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalising the assets, investments or liabilities of the Target Company, to improve operational efficiencies and for other commercial reasons. The acquirer intends to sell or otherwise encumber the non core business assets of the Target Company. The board of directors of the Target Company will take decisions on these matters in accordance with the requirements of the business of the Target Company and in accordance with and as permitted by applicable law. Except as disclosed in the DPS, if the Acquirer intends to alienate any material asset of the Target Company outside the ordinary course of business within a period of 2 years from completion of the Offer, the Target Company shall seek the approval of its shareholders as per proviso to Regulation 25(2) of the SEBI (SAST) Regulations, to the extent applicable.

4 BACKGROUND OF THE ACQUIRER – ALLCARGO LOGISTICS LIMITED

4.1. Acquirer, is a public listed Company. It was originally incorporated under the name All Cargo Movers (India) Private Limited on August 18, 1993 as Private Company, under the Companies Act, 1956 (Registration no. 11-73508). The name of the Acquirer was changed to "Allcargo Movers (India) Private Limited" on June 25, 2004 and thereafter to "Allcargo Global Logistics Private Limited" on December 08, 2005. Subsequently, on January 17, 2006 it was converted into Public Limited Company and its name was changed to "Allcargo Global Logistics Limited" and thereafter on July 29, 2011 the name was further changed to its present name i.e. "Allcargo Logistics Limited".

4.2. The Corporate Identification Number of Acquirer is L63010MH2004PLC073508, it's registered office is situated at 6th Floor, Avvashya House, CST Road, Kalina, Santacruz (East), Mumbai 400098 Maharashtra, India

4.3. The principal activity of the Acquirer along with its subsidiaries is providing integrated logistics solutions. It offers specialized logistics services across 4 business segments: Multimodal Transport Operations, Container Freight Station Operations, Project & Engineering Solutions and Logistics Park.

4.4. The Acquirer does not belong to any group.

4.5. The equity shares of the Acquirer are listed on BSE and NSE.

4.6. There is no person acting in concert with the Acquirer for the purpose of this Open Offer in terms of Regulation 2(1)(q) of the SEBI (SAST) Regulations.

4.7. The issued and the paid up capital of the Acquirer is ₹49,13,91,048. As on date of the LOF, Shashi Kiran Shetty is the major shareholder of the Acquirer holding 62.08% of the issue and paid up capital of the Acquirer.

4.8. The names of the promoter and promoter group of Acquirer as disclosed by it to the Stock Exchanges under Regulation 31 of the SEBI LODR, 2015 as of December 31, 2019 are as follows:

Individuals : Shashi Kiran Shetty, Arathi Shetty, Adarsh Sudhakar Hegde and Priya Adarsh Hegde

Others : Shashi Kiran Shetty (A trustee of Shloka Shetty Trust)

4.9. Shareholding Pattern of the Acquirer as of December 31, 2019:

Sr. No.	Shareholder's Category	No. of shares held	% of total equity share capital
1	Promoters	17,20,22,209	70.01
2	FIIs/ Mutual Funds/ FIs/ Banks	3,95,88,575	16.11
3	Other Public	3,40,84,740	13.88
4	Non Promoter- Non Public	Nil	Nil
	Total	24,56,95,524	100

4.10. As of the date of this LOF, the Acquirer is interested as shareholder of the Target Company to the extent of its shareholding in the Target Company , also Mr. Shashi Kiran Shetty and Mr. Kaiwan Kalyaniwalla directors of Acquirer are appointed as Additional, Non Executive & Non Independent Directors on the board of the Target Company , and are interested to that extent. Except as mentioned herein, no other director and key employee of the Acquirer have any interest in the Target Company. The Acquirer had proposed to provide inter corporate deposit to the Target Company, however, as on the date of LOF, no inter corporate deposit has been provided by the Acquirer.

4.11. Names and Details of the Acquirer's Directors

Sr. No.	Name and DIN	Details of experience	Qualifications	Date of appointment
1	**Shashi Kiran Janardhan Shetty** **DIN:** 00012754	Shashi Kiran Janardhan Shetty is Chairman and Managing Director of Allcargo. He has been pioneering the Indian Logistics Sector since more than two decades. He has received 'Distinction of Commander of the Order of Leopold II' the highest civilian honour by the Royalty of Belgium H. M. King Philippe, he was also awarded 'Lifetime contribution to Freight Award' at the Global Freight Awards 2015, London and "Honorary Doctorate' by Mangalore University in 2015 , for his professional achievements and philanthropic contributions.	Bachelor of Commerce	Since Incorporation 18/08/1993
2	**Adarsh Sudhakar Hegde** **DIN:** 00035040	Adarsh Sudhakar Hegde is Joint Managing Director. He is associated with Allcargo since inception, he has over two and half decades of experience in the field of logistics and has been instrumental in Allcargo's strategic expansions and diversification. He provides leadership to all business verticals.	Degree in Mechanical Engineering from Nitte Education Trust, Mangalore.	21/08/2006
3	**Kaiwan Dossabhoy Kalyaniwalla** **DIN:** 00060776	Kaiwan Dossabhoy Kalyaniwalla is Non Executive Director of Allcargo. He is a Solicitor and Advocate of the Bombay High Court and a partner of Maneksha & Sethna, a law firm based in Mumbai. He is advisor to the private sector corporates, multinational banks, transport and logistics companies and some of the India's largest property development companies and business houses.	Bachelor's degree in Economics and political science and a bachelor of laws degree from University of Mumbai.	10/08/2016
4	**Arathi Shetty** **DIN:** 00088374	Arathi Shetty is Non Executive Director and she has been on board of Allcargo since incorporation of Allcargo. She spearheads the sustainability initiatives of Allcargo under the Avvashya Foundation and is responsible for identifying CSR projects of the Company.	Bachelor's degree in Arts from Bhavan's College, University of Mumbai	18/08/1993
5	**Hari Lakshminarayan Mundra** **DIN:** 00287029	Hari Lakshminarayan Mundra is Independent Director. He has worked with various reputed organizations like Hindustan Unilever Ltd, RPG Group, Wockhardt group and Essar Group in different capacities such as Executive Director, Vice- Chairman and others in past, he has over 45 years of work experience, he is also on the Board of Tata Autocomp Systems Ltd. and is a senior	B.A.Hon.(Economics) from Mumbai University Post Graduate in Management from Indian Institute of Management, Ahmedabad.	30/05/2012

		Advisor to the USA based company Hospira.		
6	**Malini Thadani** **DIN:** 01516555	Malini Thadani is women Independent Director. She serves as Senior Advisor to FTI Consulting India and chairs the Advisory Council for Watershed Restoration Trust (WOTR). She was the Head of Corporate Sustainability, Asia Pacific Region, for The Hongkong and Shanghai Banking Corporation Limited (HSBC). Malini Thadani has excelled as a sustainability leader with an extensive experience across Asia Pacific, spanning key markets including India, China, Singapore, Indonesia, Malaysia and Australia. She was an Indian civil servant and has served in the Indian Revenue Service for over 14 years.	Bachelors in History from Lady Shri Ram College, Delhi University Masters in History, Hindu College, Delhi University, Masters in Public Administration, Ohio University, Ohio, USA, Diploma in Business and Government, Ecole Nationale, Administration, Paris, France, Insead Social, Entrepreneurship Programme, (ISEP), Insead, Paris, France, FT Non-Executive Director, Diploma, Hong Kong	05/11/2018
7	**Mohinder Pal Bansal** **DIN:** 01626343	Mohinder Pal Bansal is Independent Director. He has more than 25 years of experience in Mergers & Acquisitions, Strategic Advising, Capital Markets, Company Portfolio Integration as well as post acquisition performance management in India, Asia and Europe. He is currently on board of several corporate bodies such as Blacksoil Capital Pvt. Ltd., Navneet Education Ltd. and others	Chartered Accountant from the Institute of Chartered Accountants of India	18/10/2010
8	**Mathew Cyriac** **DIN:** 01903606	Mathew Cyriac is Independent Director. He is the Chairman and whole-time director of Florintree Advisors Private Limited, an India focused Alternative Asset Manager, based in Mumbai. Earlier he was a Senior Managing Director at The Blackstone Group and served as its Co-Head of Private Equity at Blackstone Advisors India Private Limited till February 2017. Currently, he is on the Board of several companies including as an Independent Board Member of Greatship India Limited (part of the Great Eastern Shipping Group), one of the leading oil services companies in India.	Bachelor's degree in Engineering from College of Engineering Guindy, Madras, Post Graduate Diploma in Management from the Indian Institute of Management, Bangalore	29/03/2019

4.12. As on the date of this LOF, except for Mr. Shashi Kiran Shetty (Chairman and Managing Director) and Mr. Kaiwan Kalyaniwalla (Non-Executive Director), directors of the Acquirer, who have been appointed as Additional, Non-Executive & Non Independent Directors of the Target Company on February 04, 2020, none of the other directors of the Acquirer are members of the board of directors of the Target Company.

4.13. Summary of the Audited consolidated financial information for each of the three financial years ended March 31, 2017, March 31, 2018 and March 31, 2019 and unaudited limited review consolidated financial information as at and for the six month period ended September 30, 2019 of the Acquirer as disclosed in the relevant financial

statements are as follows:

(Amount ₹in Lakhs, except for EPS)

Profit & Loss A/c (for the year/ period ended)	**March 31, 2017**	**March 31, 2018**	**March 31, 2019**	**September 30, 2019**
Income from Operations	5,58,336	6,04,919	6,89,486	3,68,846
Other Income	4,532	3,912	3,381	1,710
Total Income	**5,62,868**	**6,08,831**	**6,92,867**	**3,70,556**
Total Expenditure	**5,11,845**	**5,67,206**	**6,44,635**	**3,41,783**
Profit before Depreciation Interest & Tax	51,023	41,625	48,232	28,773
Depreciation	16,617	15,906	15,593	10,851
Interest	3,242	2,991	2,952	2,323
Profit Before share of profit from associates, joint ventures, exceptional items and tax	**31,164**	**22,728**	**29,687**	**15,599**
Share of profits from associates and joint ventures	378	480	521	375
Profit before tax, exceptional item	31,542	23,208	30,207	15,974
Exceptional Items	-	(686)	-	-
Profit before tax	31, 542	22,522	30,207	15,974
Current Tax	7,886	6,028	9,253	3,097
Deferred Tax	(123)	(902)	(3,829)	(253)
Total Tax Expense	7,763	5,126	5,424	2,844
Profit for the year	**23,779**	**17,396**	**24,783**	**13,130**
Other Comprehensive Income	(5,978)	5,592	(1,266)	(257)
Profit after tax/ Total Comprehensive Income, net of Tax	**17,801**	**22,988**	**23,518**	**12,873**
Balance Sheet Statement (As at)	**March 31, 2017**	**March 31, 2018**	**March 31, 2019**	**September 30, 2019**
Sources of funds				
Paid up share capital	4,914	4,914	4,914	4,914
Reserves & Surplus (excluding revaluation reserve)	1,74,308	1,91,524	1,94,964	2,07,314
Non-Controlling Interest	2,072	1,717	2,070	2,174
****Net worth**	**1,81,294**	**1,98,155**	**2,01,948**	**2,14,402**
Secured Loans	42,027	37,548	51,425	88,178
Unsecured Loans	16,937	9,868	8,400	3,484
Non- Current Liabilities	863	1,264	3,959	18,205
Total	**2,41,121**	**2,46,835**	**2,65,732**	**3,24,269**
Uses of funds				
Net fixed assets	1,15,081	1,08,776	1,13,683	1,29,090
Investments	20,572	21,431	21,427	21,571
Non- Current Assets	66,449	69,639	89,390	1,16,887
Net current assets	39,018	46,989	41,233	56,721
Total miscellaneous expenditure not written off	-	-	-	-
Total	**2,41,121**	**2,46,835**	**2,65,732**	**3,24,269**
Other Financial Data				
Dividend (%)	-	100%	275%	-
Earnings Per Share –Basic and diluted (nominal value of ₹2 each)	9.25	6.97	9.85	5.17

*** calculated as per the Companies Act, 2013*

*(**Source**: Certificate dated December 05, 2019 issued by Sanjiv Mehta (Membership No.:034950, partner of Shaparia Mehta & Associates LLP, Chartered Accountants (Firm Registration No.:112350W/W-100051)*

4.14. The Contingent Liabilities of Acquirer on a consolidated basis as on September 30, 2019 are set out below:

(Amount ₹in Lakhs)

Nature of Liability	**Amount as on September 30, 2019**
Bank Guarantee	6,519
Tax Liability	-
a) **Direct Tax**	
- Income Tax	3
b) **Indirect Tax**	
- Service Tax	278
- Entry Tax	41
- Others	29
- VAT	75
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	29,037
Claim against the group, not acknowledged as debts	430
Any other commitments	55
Total	**36,647**

(Source: Certificate dated December 12, 2019 issued by Sanjiv Mehta (Membership No.:034950, partner of Shaparia Mehta & Associates LLP, Chartered Accountants (Firm Registration No.:112350W/W-100051)

4.15. The closing market price on February 28, 2020 of the equity shares of the Acquirer having face value of ₹2 each, on the Stock Exchanges is given below:

Stock Exchange	**Closing Price as on February 28, 2020**
NSE	108.65
BSE	108.75

4.16. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of Section 11B of the SEBI Act, or under any of the regulations made under the SEBI Act.

4.17. The Acquirer has confirmed that it is not categorized as "willful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.

4.18. The Acquirer has confirmed that it is not declared as "fugitive economic offender" in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.

4.19. The Acquirer has received a certificate dated March 02, 2020 from P.N. Parikh (FCS No: 327 CP No: 1228) partner of Parikh & Associates, Company Secretaries, wherein it has been confirmed that the Acquirer is in compliance with the conditions of corporate governance stipulated in SEBI LODR, 2015 as on February 29, 2020. Further, the Acquirer has submitted the quarterly compliance report (in the format prescribed as per SEBI circular CIR/CFD/CMD/5/2015 dated September 24, 2015 further amended vide circular SEBI/HO/CFD/CMD1/CIR/P/2019/78 dated July 16, 2019) on corporate governance wherein it has confirmed compliance, as of quarter ended December, 2019, with corporate governance norms relating to the composition of board of directors and various committees (such as audit committee, nomination and remuneration committee etc.) and that meetings of the board of directors and the relevant committees have been conducted in the manner specified in SEBI LODR, 2015. Further, vide a letter dated March 02, 2020, Acquirer has stated that the confirmations provided in the quarterly compliance report continue to be valid as of March 02, 2020.

4.20. The Compliance Officer of the Acquirer is Ms. Bhavika Shah, Email ID: bhavika.shah@allcargologistics.com.

5 BACKGROUND OF THE TARGET COMPANY – GATI LIMITED

5.1. The Target Company is presently known as Gati Limited. There has been no change in the name of the Target Company in the last three years. Below are the details of change of name of the Target Company since its incorporation:

Sr. No	**Name change of the Target Company**	**Date of Incorporation/Change of Name**	**Registrar of Companies**
1.	Gati Corporation Limited	April 25, 1995	Registrar of Companies, Andhra Pradesh
2.	Gati Limited	October 24, 2000	Registrar of Companies, Andhra Pradesh

The registered office of the Target Company is situated at Plot No. 20, Survey No. 12, Kothaguda, Kondapur, Hyderabad, Telangana, 500084, India. The Corporate Identification Number of the Target Company is L63011TG1995PLC020121.

5.2. The Target Company is primarily engaged, directly or indirectly through its subsidiaries, in the business of express distribution (surface, air and rail parcel), supply chain management solutions, value-added transportation solutions, e-commerce logistics, cold chain logistics, freight forwarding segments, operation of fuel stations, domestic and international trading, and logistics parks.

5.3. The Equity Shares of the Target Company are presently listed on BSE and NSE. The ISIN of Equity Share of the Target Company is INE152B01027. The Equity Shares of the Target Company are frequently traded on both the exchanges within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.4. The Authorised Share Capital of the Company is ₹30,00,00,000/- (Rupees Thirty Crores only) divided into 12,50,00,000 (Twelve Crore Fifty Lakhs) Equity Shares of ₹2/- (Rupees Two only) each and 5,00,000 (Five Lakh) Preference Shares of ₹100/- (Rupees One Hundred) each.

5.5. The capital structure of the Target Company as on the date of LOF is as follows:

Paid-up Equity Shares of Target Company	No. of Equity Shares/voting rights	% of Equity Shares/ voting rights
Fully paid-up Equity Shares	12,19,45,977	100
Partly paid-up Equity Shares	NIL	NIL
Total paid-up Equity Shares	12,19,45,977	100
Total voting rights in Target Company	**12,19,45,977**	**100**

5.6. Further as on date of this LOF, the Expanded Voting Share Capital of the Target Company is as follows:

Particulars	No. of Shares	% of Expanded Voting Share Capital
Fully paid up Equity Shares	10,86,12,637	88.96
Employee Stock Options **("ESOPs")** vested or which will vest prior to March 12, 2020	1,41,000	0.12
Equity Shares issued and allotted under the Preferential Issue	1,33,33,340	10.92
Expanded Voting Share Capital	**12,20,86,977**	**100**

5.7. The trading of the Equity Shares of the Target Company is currently not suspended on BSE and NSE.

5.8. 1,33,33,340 Equity Shares were allotted on January 21, 2020 by the Target Company. Listing approval for the same has been received from Stock Exchanges. SSA Shares were credited on February 28, 2020 in the demat account of the Acquirer. The Target Company is in the process of making requisite application for trading approval.

5.9. As on date of this LOF, the Target Company does not have any partly paid-up Equity Shares and there are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage apart from the ESOPs.

5.10. The Board of Directors of the Target Company as on the date of LOF are as under:

Name	DIN	Designation	Date of Initial Appointment
Natesan Srinivasan	00004195	Independent Director	October 18, 2000
Krishan Lal Chugh	00140124	Independent Director, Chairperson	June 30, 1998
Mahendra Kumar Agarwal	00179779	Managing Director	April 25, 1995
Pesara Sudhakar Reddy	00608915	Independent Director	April 25, 1995
Prabhu Narain Shukla	01868580	Independent Director	October 19, 2012
Yasuhiro Kaneda	07619127	Nominee Director	November 04, 2016
Savita Date Menon	08528271	Independent Director	August 02, 2019
Shashi Kiran Shetty	00012754	Additional Director	February 04, 2020
Kaiwan Kalyaniwalla	00060776	Additional Director	February 04, 2020

5.11. Except for Shashi Kiran Shetty and Kaiwan Kalyaniwalla, none of the other Directors of the Target Company represent the Acquirer.

5.12. There has been no merger/de-merger, spin off during last three years involving the Target Company

5.13. Summary of the audited consolidated financial statements for the financial year ended March 31, 2017, March 31,

2018 and March 31, 2019 and unaudited limited review consolidated financial statements for the six months period ended September 30, 2019 of the Target Company are as follows:

(Amount ₹ in Lakhs except other financial data)

Profit & Loss A/c (for the year/ period ended)	**March 31, 2017**	**March 31, 2018**	**March 31, 2019**	**September 30, 2019**
Income from operations	1,69,099	1,73,647	1,86,319	89,776
Other Income	1,039	7,785	1,596	404
Total Revenue	1,70,138	1,81,432	1,87,915	90,180
Total Expenses	(1,59,506)	(1,65,938)	(1,76,890)	(85,862)
Profit/(Loss) before Depreciation, Interest, Tax and Exceptional Items	10,632	15,494	11,025	4,318
Depreciation and amortization expense	(2,980)	(3000)	(2,952)	(2,061)
Finance costs	(4,997)	(4,695)	(4,527)	(2,631)
Profit/(Loss) before Tax and Exceptional Items	2,665	7,799	3,546	(374)
Exceptional Items	-	(2,360)	-	-
Provision for Tax	(939)	(1,529)	(1,243)	(478)
Profit/(Loss) after Tax	1,716	3,910	2,303	(852)
Other Comprehensive Income	17	(989)	(314)	(142)
Total Comprehensive Income	1,733	2,921	1,989	(994)
Balance Sheet Statement (As at)	**March 31, 2017**	**March 31, 2018**	**March 31, 2019**	**September 30, 2019**
Sources of Funds				
Paid up share capital	1,764	2,167	2,171	2,172
Reserves and surplus (excluding revaluation reserves)	62,123	70,681	70,272	68,079
Non Controlling Interest	11,450	11,402	12,205	11,988
Total Equity	75,337	84,250	84,648	82,239
Secured Loans	33,518	34,209	35,335	40,154
Unsecured Loans	22,246	2,365	1,359	7,281
TOTAL	1,32,221	1,22,103	1,22,846	1,30,573
Uses of funds				
Net Fixed assets (including Intangible Assets)	99,716	99,613	1,00,132	1,07,844
Investments	430	417	243	175
Non – Current assets	9,865	8,567	10,864	10,076
Net Current Assets	22,210	13,506	11,607	12,478
TOTAL	1,32,221	1,22,103	1,22,846	1,30,573
Other Financial Data				
Dividend (%)	40	45	40	Nil
Earnings per equity share (basic)	1.22	3.33	1.69	**(0.95)
Earnings per equity share (diluted)	0.91	3.33	1.69	**(0.95)
Net worth	23,671	33,384	33,212	31,104
Return on Net worth (%)*	7.25	11.71	6.93	(2.74)
Book value Per Share#	26.84	30.81	30.60	28.64

(Source: Certificate dated December 05, 2019 issued by Anurag Singhi (Membership No.: 066274, partner of Singhi & Co. (Firm Registration No.: 302049E).

** Return on Net worth= Profit/(Loss) after Tax / Net Worth*

 # Book Value Per Share= Net Worth / No. of shares outstanding

*** Not annualized*

5.14. Pre shareholding pattern of the Target Company as on February 27, 2020 and post shareholding pattern of the

Target Company is as follows:

Shareholders' Category	Shareholding & voting rights prior to the SSA and Offer as on February 27, 2020		Equity Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Equity Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance)		Shareholding/voting rights after the acquisition and Offer.	
	(A)		(B)		(C)		(D) = (A) +(B) +(C)	
	No.	%[(1)]	No.	%[(3)]	No.	%[(3)]	No.	%[(3)]
(1) Promoter Group								
a. Parties to SPA and SSA	39,82,970 [(4)/(8)]	3.66	-	-	-	-	-[(7)]	-
b. Promoters other than (a) above	87,02,792	8.00	-	-	-	-	87,02,792[(6)]	7.13
Total 1(a+b)	1,26,85,762	11.66	-	-	-	-	87,02,792	7.13
(2) Acquirer[(4)]	1,20,70,000 [(9)]	11.10	1,74,30,273 [(2)]	14.28	3,17,42,615	26.00	6,12,42,888	50.16
(3) Parties to agreement other than (1)(a)&(2)	-	-	-	-	-	-	-	-
(4) Public (other than parties to SPA and Acquirer)								
a. Employee stock options (considered for determining Expanded Voting Share Capital)	1,41,000	0.13	-	-	-	-	5,21,41,297[(8)]	42.71
b.FIs/MFs/FIIs/ Banks/ SFIs	1,75,77,699	16.16	-	-	(3,17,42,615)	(26.00)		
c. Others	6,62,79,176[(5)]	60.94	-	-				
Total (4)(a+b+c)	8,39,97,875	77.24	-	-				
Grand Total (1+2+3+4)	10,87,53,637	100	1,74,30,273	14.28	-	-	12,20,86,977	100

1. *Calculated on the basis of diluted Equity Share capital of the Target Company including 1,41,000 employee stock options vested or which shall vest prior to March 12, 2020.*
2. *Includes issuance and allotment of 1,33,33,340 Equity Shares representing 10.92% of the Expanded Voting Share Capital of the Target Company pursuant to Preferential Issue. The said SSA Shares were allotted on January 21, 2020. However, as on February 27, 2020 trading approval is pending for said shares. It also includes balance 40,96,933 Equity Shares under SPA.*
3. *Calculated on the basis of Expanded Voting Share Capital of the Target Company.*
4. *Includes up to 9,67,000 Equity Shares of the Target Company which pursuant to the order of the Hon'ble High Court at Kolkata are to be restored to TCI Finance Limited, and which would form part of Sale Shares if restored prior to the Completion Date as defined in SPA*
5. *Up to 9,67,000 Equity Shares of the Target Company which pursuant to the order of the Hon'ble High Court at Kolkata are to be restored to TCI Finance Limited have been reduced from 'others' under the public category.*
6. *Assuming other members of the promoter and promoter group do not sell their shares during the offer period (as defined in the SEBI (SAST) Regulations).*
7. *Some of the Attached Shares were pledged and invoked by the pledgee. The Acquirer has undertaken not to purchase the Attached Shares from Mr. Mahendra Kumar Agarwal's Pledgee and abide by this injunction order. Assuming,*

the Acquirer will acquire the Attached Shares with good and valid title free from all encumbrances after the said Attachment Order is set aside or being vacated, from the Mr. Mahendra Kumar Agarwal and pledgee of his Equity Shares.

8. *Attached Shares invoked by the pledgee of Mahendra Kumar Agarwal Shares, are assumed to be acquired by the Acquirer from the pledgee and have been reduced from 'others' under the public category*

9. *Includes 62,88,399 SPA Shares, acquired by the Acquirer and sold by parties to SPA and 57,81,601 acquired from the open market by the Acquirer till date of LOF.*

Notes:

a. *The number of shareholders of the Target Company in the "public category" as on February 27, 2020 are 97,128.*

b. *Upon completion of the Open Offer, Seller and members of promoter and promoter group of the Target Company may be categorized as public category of the Target Company.*

c. *Acquirer shall be categorized as promoter of the Target Company, in accordance with Regulation 31A(5) of SEBI LODR, 2015.*

5.15. Except as mentioned below the Acquirer has not acquired any Equity Shares after date of PA till the date of LOF.

Sr. No.	No. of Shares Acquired	% of Expanded Voting Share Capital	Mode of Acquisition	Acquisition Price (₹)
1	1,33,33,340 Equity Shares acquired under SSA	10.92	Preferential Issue	75
2	62,88,399 Equity Shares acquired under SPA*	5.15	Open Market	75
3	57,81,601 Equity Shares from the Open Market from January 13, 2020 to January 28, 2020	4.74	Open Market	71.80 average price per share

*Equity Shares acquired under SPA, does not includes Attached Shares pursuant to Attachment Order. **Further, the Acquirer undertakes to abide by the Attachment Order and agrees to acquire Attached Shares with good and valid title free from all encumbrances only when the said Attachment Order is set aside or being vacated.**

5.16. **Mr. R.K. Bansal had transferred 28,62,488 shares (3.28% of the outstanding capital of the Target Company as on the date of transfer) to the following promoter acquirers of Gati Limited on December 12, 2014 (Transaction 2014)**:

Name of the promoter acquirers	No. of shares	% of shares
Mahendra Kumar Agarwal	5,77,498	0.66
Mahendra Kumar Agarwal HUF	11,54,995	1.32
Neera & Children Trust	11,29, 995	1.29
Total	**28,62,488**	**3.28**

The promoter acquirers of Transaction 2014 have claimed exemption from open offer under Regulation 10(1)(a)(i) of the SEBI (SAST) Regulation. The same is being examined by SEBI for open offer violation. Therefore, promoter acquirers of Transaction 2014 are liable for appropriate action by SEBI in this regard**.**

5.17. There have been some instances of non-compliances of disclosures requirements under the SEBI (SAST) Regulations, by the promoters of the Target Company in the past and therefore such promoters are liable for appropriate action by SEBI in this regard.

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

6.1.1 The Equity Shares of the Target Company are listed on BSE and NSE. The Equity Shares have a Scrip Code 532345 on BSE and Scrip Symbol GATI on NSE.

6.1.2 The trading turnover in the Equity Shares based on the trading volumes during the twelve calendar months prior to the calendar month in which the PA is made i.e. December 01, 2018 to November 30, 2019 (both days included) on BSE and NSE was as under:

Stock Exchanges	No. of Equity shares traded during the twelve calendar months prior to the month of PA (A)	Total number of listed Equity Shares of the Target Company as on the date of PA i.e. December 05, 2019 (B)	Trading Turnover (as percentage of total listed Equity Shares) (A/B)
BSE	2,51,79,959	10,86,12,637	23.18%
NSE	18,39,83,056	10,86,12,637	169.39%

(Source: www.bseindia.com and www.nseindia.com)

6.1.3 Therefore, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares are frequently traded.

6.1.4 The Offer Price of ₹75 per Equity Share is justified in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

Sr. No.	Particulars	Price (in ₹per Equity Share)
A	The highest negotiated price per share for any acquisition of Equity Shares under the agreements attracting the obligation to make the Public Announcement of an Open Offer (i) SPA price per Equity Share (ii) SSA price per Equity Share	 75 75
B	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA	Nil
C	The highest price paid or payable for any acquisition by the Acquirer during 26 weeks immediately preceding the date of the PA	Nil
D	The volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of PA as traded on the stock exchange where maximum volume of trading in the shares of the Target Company are recorded during such period, provided such shares are frequently traded	57.30
E	Where the shares are not frequently traded, price determined by the Acquirer and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples and earnings per share.	Not Applicable

6.1.5 In view of the parameters considered and presented in the table above in the opinion of the Acquirer and Manager to the Offer, the Offer Price of ₹75 per Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.

6.1.7 As on date of this LOF, there is no revision in Offer Price or Offer Size. The Offer Price or Offer Size may be subject to upward revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer at any time prior to 1 (One) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall make corresponding increase to the escrow amounts in accordance with Regulation 18(5) of the SEBI (SAST) Regulations and the Acquirer shall (i) make further deposits into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision.

6.1.8 In the event of acquisition of the Equity Shares by the Acquirer during the Offer period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. The Acquirer shall not acquire any Equity Shares, other than the SPA Shares and SSA Shares, between 3 (Three) Working Days prior to the commencement of the Tendering Period of this Offer and until the expiry of the Tendering Period of this Offer. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be done at any time prior to the commencement of the last 1 (One) Working Day before the commencement of the Tendering Period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall (i) make further deposits into the Escrow Account; (ii) make a public announcement in the same newspapers in which

this DPS has been published; and (iii) simultaneously with the issue of such announcement, inform BSE, NSE, SEBI and the Target Company at its registered office of such revision.

6.1.9 If the Acquirer acquires Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Equity Shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.

6.2. **Financial Arrangement**

6.2.1 The total consideration payable by the Acquirer to acquire up to 3,17,42,615 Equity Shares from all the Public Shareholders of the Target Company at the Offer Price of ₹75 per Equity Share, assuming full acceptance of the Offer, would be ₹238,06,96,125 **("Maximum Consideration")**.

6.2.2 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account under the name and style of **"ALLCARGO LOGISTICS LTD – GATI LTD OPEN OFFER ESCROW ACCOUNT"** with Standard Chartered Bank, at their Fort Branch, **("Escrow Banker")** and made therein a cash deposit of ₹59,52,00,000/- (Rupees Fifty Nine Crores Fifty Two Lakhs Only) in the account in accordance with the Regulation 17(3)(a) of the SEBI (SAST) Regulations, being more than 25% of the Maximum Consideration payable to the Public Shareholders under the Open Offer. The cash deposit has been confirmed vide a confirmation letter dated December 09, 2019 issued by Standard Chartered Bank. Further, Acquirer has made a balance cash deposit of Rs. 178,54,96,125/- (Rupees One Hundred and Seventy-Eight Crores Fifty-Four Lakhs Ninety-Six Thousand One Hundred and Twenty - Five Only) being the balance amount for the Maximum Consideration payable to the Public Shareholders, in the account in accordance with the Regulation 22(2) of the SEBI (SAST) Regulations aggregating to 100% of the Maximum Consideration payable to the Public Shareholders under the Open Offer. The cash deposit has been confirmed vide letter dated January 15, 2020 received from Standard Chartered Bank. In terms of agreement dated December 05, 2019 amongst the Acquirer, Manager to the Offer and Escrow Bank **("Escrow Agreement")**, the Manager to the Offer has been duly authorized to operate and to realize the monies lying in the Escrow Account in terms of the SEBI (SAST) Regulations. In case of any upward revision in the Offer Price or the Offer Size, the cash in the Escrow Account shall be increased by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

6.2.3 The Acquirer had been sanctioned irrevocable term loans (a) up to ₹145,00,00,000/- (Rupees One Hundred Forty Five Crore only) ("Term Loan 1") from Axis Finance Limited dated October 05, 2019 (b) up to ₹ 115,00,00,000 (Rupees One Hundred and Fifteen Crore only) ("Term Loan 2") from Standard Chartered Investments & Loans (India) Limited dated October 25, 2019. Acquirer has also entered into term sheet dated December 04, 2019 with The Hong Kong and Shanghai Banking Corporation Limited for issuance of Senior Listed, Secured, Rated, Redeemable, Non Convertible Debentures, as sole investor and The Hong Kong and Shanghai Banking Corporation Limited, India will act as sole arranger to issue of ₹195,00,00,000 (Rupees One Hundred and Ninety Five Crore only) ("NCDs"). The Acquirer has given an undertaking to the Manager to the Offer to the effect that The Term Loan 1, Term Loan 2 and NCDs **("Firm Financing")** are exclusively earmarked to fulfill the obligations of the Acquirer under the Offer and to acquire the Offer Shares tendered in the Offer. The Firm Financing is higher than the Maximum Consideration.

6.2.4 Mr. Sanjiv Mehta (Membership No.:034950), partner of M/s. Shaparia Mehta & Associates LLP, Chartered Accountants (Firm Registration No.:112350W/W-100051), having office at 804, A wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013; Tel. No.: +91 622695100 vide his certificate dated December 05, 2019 has certified that the Acquirer has adequate resources to meet the financial requirements of the Open Offer.

6.2.5 Based on the aforesaid confirmations received from the Chartered Accountants and the Escrow Banker regarding credit of escrow amount, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer confirms that firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligation.

6.2.6 In terms of Regulation 22(2) and the proviso to Regulation 22(2A) of the SEBI (SAST) Regulations, subject to the Acquirer depositing in the Offer Escrow Account, cash of an amount equal to the entire Maximum Consideration, the Acquirer, after the expiry of 21 (Twenty One) Working Days from date of the DPS, subject to fulfillment of the SPA Conditions and SSA Conditions (Background of the Offer), has partly completed the acquisition of Sale Shares proposed to be acquired pursuant to the SPA and the Preferential Issue has been completed in the manner set out in the SSA.

6.2.7 In terms of Regulation 24(1) of the SEBI (SAST) Regulations, read with proviso, subject to the Acquirer depositing in the Offer Escrow Account, cash of an amount equal to the entire Maximum Consideration, the Acquirer, after the expiry of 15 (Fifteen) Working Days from date of the DPS, 2 directors of the Acquirer have been appointed as additional directors on the board of the Target Company.

7 TERMS AND CONDITIONS OF THE OFFER

7.1 The LOF along with Form of Acceptance will be dispatched (through e-mail or physical mode) to all Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on Thursday, February 27, 2020 **("Identified Date")** as per schedule of activities of this Open Offer. Accidental omission to dispatch the LOF to any Public Shareholder entitled to this Open Offer or non-receipt of the LOF by any Public Shareholder entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein. A copy of the Letter of Offer (including Form of Acceptance) will also be available on SEBI's website (www.sebi.gov.in). The Public Shareholders may also download LOF (along with Form of Acceptance) from SEBI website.

7.2 Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, not later than 2 (Two) days from the completion of Tendering Period.

7.3 This Offer is not conditional upon any minimum level of acceptance in terms of the SEBI (SAST) Regulations. The Acquirer will acquire all the Equity Shares that are validly tendered and accepted in terms of this Offer up to 3,17,42,615 fully paid – up Equity Shares of face value of ₹2 each representing 26% of the Expanded Voting Share Capital of the Target Company.

7.4 The Equity Shares offered under this Offer shall be free from all liens, charges, equitable interests and encumbrances and are to be offered together with all rights in respect of dividends or bonuses, if any, declared from now and hereafter.

7.5 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

7.6 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance.

7.7 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Public Shareholders of the Target Company.

7.8 The instructions and provisions contained in the Form of Acceptance constitute an integral part of the terms of this Offer.

7.9 Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the Public Shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

7.10 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, Public Shareholders who have accepted this Open Offer by tendering their Equity Shares and requisite documents in terms of the PA, DPS and LOF shall not be entitled to withdraw such acceptance.

7.11 The locked-in Equity Shares, if any acquired pursuant to the agreement or offer can be transferred to the Acquirer, subject to the continuation of the residual lock-in period in the hands of the Acquirer. The Manager to the Offer ensures that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.

7.12 There has been no revision in the Offer Price or Offer Size as of the date of this LOF. Acquirer reserves the right to revise the Offer Price and/or the number of Offer Shares upwards at any time prior to the commencement of 1 (One) Working Day prior to the commencement of the Tendering Period, i.e., up to Wednesday, March 11, 2020, in accordance with the SEBI (SAST) Regulations. In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer shall (i) make a corresponding increase to the escrow amount, (ii) make a public announcement in the same newspapers in which the DPS was published, and (iii) simultaneously notify Stock Exchanges, SEBI and the Target Company at its registered office. In case of any revision of the Offer Price, the Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Open Offer and accepted under the Open Offer in accordance with the terms of the LOF.

7.13 **Eligibility for accepting the Offer**

7.13.1 Public Shareholders holding Equity Shares in dematerialized form, (registered or unregistered) can participate in

the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders. Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected.

7.13.2 All Public Shareholders, including non-resident equity shareholders, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Offer Shares.

7.13.3 The acceptance of this Offer is entirely at the discretion of the Public Shareholders.

7.13.4 None of the Acquirer, Manager to the Offer or Registrar to the Offer accept any responsibility for any loss of equity share certificates, Offer acceptance forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.

7.13.5 The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.

7.13.6 This LOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of this LOF resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.

7.14 **Statutory and other Approvals:**

7.14.1 To the best of the knowledge and belief of the Acquirer, as on the date of this LOF, there are no statutory or other approval(s) required to implement the Offer, except in-principal approval from the Stock Exchanges for listing of Equity Shares of Target Company to be issued pursuant to Preferential Issue, which has been received. If, however any statutory or other approval(s) become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory or other approval(s).

7.14.2 In terms of Regulation 23 of the SEBI (SAST) Regulations, in the event that the approvals (in relation to the acquisition of the Offer Shares) specified in this LOF as set out above or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirer, then the Acquirer shall have the right to withdraw the Open Offer. In any case in the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations. However, as on the date of LOF, Acquirer has received statutory approval mentioned in paragraph 7.14 of this LOF, and the Preferential Issue has been completed in the manner set out in the SSA.

7.14.3 All Public Shareholders, including non-resident holders (NRIs, OCBs and FIIs) of the Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI or any regulatory body) and submit such approvals, along with the other documents required to accept this Open Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Equity Shares tendered in this Open Offer. Further, if the holders of the Equity Shares who are not person resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

7.14.4 The Acquirer shall complete all procedures relating to payment of consideration under this Offer within 10 (Ten) Working Days from the date of closure of the Tendering Period to those Public Shareholders whose shares and/or other documents are found valid and in order and are accepted for acquisition.

7.14.5 Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.

7.14.6 In case of delay in receipt of any statutory approval(s) specified in this LOF or any other becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to the Acquirer for payment of

consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1. The Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("Acquisition **Window")** as provided under the SEBI (SAST) Regulations, SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI ("Acquisition **Window Circulars").**

8.2. BSE Limited shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Offer.

8.3. The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchanges in the form of a separate Acquisition Window.

8.4. All the Public Shareholders who desire to tender their Equity Shares under the Offer would have to approach their respective stock brokers **("Selling Broker(s)")**, during the normal trading hours of the secondary market during the Tendering Period. The Selling Broker can enter orders for dematerialized Equity Shares only. The Buying Broker may also act as Selling Broker for Public Shareholders.

8.5. The Acquirer has appointed ITI Securities Broking Limited as the **"Buying Broker"** for the Offer through whom the purchases and settlement of Equity Shares tendered in this Offer shall be made.

8.6. Contact Details for Buying Broker are as follows;

Name	ITI Securities Broking Limited
Communication Address:	A/ 2002, Naman Midtown, Senapati Bapat Marg, Prabhadevi, Mumbai 400 013
Contact Person:	Kuldeep Vashist
Tel. No.:	022 40273741/9967604127
Email ID:	kvashist@itiorg.com

8.7. During the Tendering Period, the tender of the Equity Shares by the Public Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.

8.8. The cumulative quantity tendered shall be displayed on the Stock Exchanges website throughout the trading session at specific intervals by the Stock Exchanges during Tendering Period.

8.9. Modification/ Cancellation of orders will not be allowed during the Tendering Period.

8.10. Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant). In the event Seller Broker(s) are not registered with BSE or NSE or if the Shareholder does not have any stock broker then that Shareholder can approach any BSE or NSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE or NSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Public Shareholder is not able to bid using quick UCC facility through any other BSE or NSE registered stock broker then the Public Shareholder may approach Company's Broker viz. ITI Securities Broking Limited, to bid by using quick UCC facility. The Shareholder approaching BSE or NSE registered stock broker (with whom he does not have an account) may have to submit following details:

8.10.1. **In case of Shareholder being an individual**

a. If Shareholder is registered with KYC Registration Agency ("KRA"): Forms required:

i. Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable

ii. Know Your Client (KYC) form Documents required (all documents self-attested):

Bank details (cancelled cheque)

iii. Demat details (Demat Master /Latest Demat statement)

b. If Shareholder is not registered with KRA: Forms required:

i. CKYC form including FATCA, IPV, OSV if applicable

ii. KRA form

iii. KYC form Documents required (all documents self-attested):

PAN card copy

Address Proof

Bank Details (cancelled cheque)

iv. Demat Details (Demat master/ Latest Demat Statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

8.10.2. **In case of Shareholder is HUF**

a. If Shareholder is registered with KRA: Forms required:

i. CKYC form of KARTA including FATCA, IPV, OSV if applicable

ii. KYC form documents required (all documents self-attested):
Bank details (cancelled cheque)

iii. Demat details (Demat Master /Latest Demat statement)

b. If Shareholder is not registered with KRA: Forms required:

i. CKYC form of KARTA including FATCA, IPV, OSV if applicable

ii. KRA form

iii. Know Your Client (KYC) form Documents required (all documents self-attested):

PAN card copy of HUF & KARTA

Address proof of HUF & KARTA

HUF declaration

Bank details (cancelled cheque)

iv. Demat details (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

8.10.3. **In case of Shareholder other than Individual and HUF:**

a. If Shareholder is KRA registered: Form required

i. Know Your Client (KYC) form Documents required (all documents certified true copy) Bank details (cancelled cheque)

ii. Demat details (Demat master /Latest Demat statement)

iii. FATCA, IPV, OSV if applicable

iv. Latest list of directors/authorised signatories/partners/trustees

v. Latest shareholding pattern

vi. Board resolution

vii. Details of ultimate beneficial owner along with PAN card and address proof

viii. Last 2 years financial statements

b. If Shareholder is not KRA registered: Forms required:

i. KRA form

ii. Know Your Client (KYC) form Documents required (all documents certified true copy):

PAN card copy of company/ firm/trust

Address proof of company/ firm/trust

Bank details (cancelled cheque)

iii. Demat details (Demat Master /Latest Demat statement)

iv. FATCA, IPV, OSV if applicable

v. Latest list of directors/authorised signatories/partners/trustees

vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees

vii. Latest shareholding pattern

viii. Board resolution/partnership declaration

ix. Details of ultimate beneficial owner along with PAN card and address proof

x. Last 2 years financial statements

xi. MOA/Partnership deed /trust deed

It may be noted that, other than submission of above forms and documents, in person verification may be required.

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

8.11. **Procedure for tendering Equity Shares held in dematerialised form**

8.11.1. The Public Shareholders who are holding Equity Shares in electronic/ dematerialised form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares that such Public Shareholder intends to tender in this Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.

8.11.2. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchanges. Before placing the order/bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the Stock Exchanges or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.

8.11.3. Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

8.11.4. On receipt of TRS from the respective Seller Broker, the Public Shareholder has successfully placed the bid in the Offer.

8.11.5. Modification/cancellation of orders will not be allowed during the tendering period of the Offer.

8.11.6. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than 6:00 PM on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

8.11.7. The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges/Clearing Corporation, before the opening of the Offer.

8.11.8. The Public Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.

8.11.9. The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

8.11.10. In case any person has submitted the Equity Shares held in physical mode for conversion to demat form or dematerialisation, such Eligible Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.

8.12. **Procedure for tendering Equity Shares held in Physical Form**

8.12.1. As per the provisions of Regulation 40(1) of the SEBI LODR, 2015 and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019.

8.12.2. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Offer can do so only after the Equity Shares are dematerialised. Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialised.

8.13. **Acceptance of Shares**

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

8.14. **Procedure for tendering the shares in case of non-receipt of Letter of Offer**

8.14.1. Public Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

8.14.2. A Public Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment.

8.14.3. The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement, will be dispatched to all the Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company and to the Beneficial Owners of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date.

8.14.4. In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

8.14.5. The Letter of Offer along with the Form of Acceptance cum Acknowledgment would also be available at SEBI's website, www.sebi.gov.in, and Public Shareholders can also apply by downloading such forms from the said website.

8.14.6. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by Stock Exchanges before the closure of the Offer.

8.15. **Settlement Process**

8.15.1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to the Stock Exchanges to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.

8.15.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the Acquisition Window Circulars.

8.15.3. For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders bank account linked to its demat account. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

8.15.4. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards.

8.15.5. The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer.

8.15.6. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.

8.15.7. The direct credit of Equity Shares shall be given to the demat account of Acquirer as indicated by the Buying Broker.

8.15.8. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirer.

8.15.9. In case of partial or non-acceptance of orders the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

8.15.10. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tended under the Offer.

8.15.11. If Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by

Reserve Bank of India or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.

8.15.12. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.

8.15.13. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations.

8.16. **NOTE ON TAXATION**

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME TAX ACT, 1961 AND THE REGULATIONS THEREUNDER. THE LEGISLATION, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE FACT THAT INCOME-TAX CONSEQUENCES ARE SPECIFIC TO FACTS OF THE CASE, EACH SHAREHOLDER IS REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS NOTE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS NOTE. THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER OFF THE RECOGNISED STOCK EXCHANGES IN INDIA, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

8.16.1. **General**:

i. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is typically liable to income-tax in India on such person's worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) and on income received or deemed to be received by such person in India. In case of shares of a company, the source of income from sale of shares depends on the "situs" of such shares. Based upon the judicial pronouncements, the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.

ii. Since the Target Company is incorporated in India and its shares (being in dematerialized form) can be transferred only in India, the Target Company's shares is a capital asset "situated" in India and any gains arising to a non-resident on transfer of such shares is taxable in India under the Income Tax Act.

iii. Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement ("**DTAA**") between India and the respective country of which the said shareholder is tax resident subject to satisfying

relevant conditions as prescribed, and non-applicability of General Anti-Avoidance Rule ("**GAAR**") and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.

iv. The Income Tax Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder, nature of the income earned and mode of acquisition etc.

v. The summary of income-tax implications on tendering of listed equity shares is set out below.

8.16.2. **Classification of Shareholders**:

Shareholders can be broadly classified under the following categories:

i. Resident Shareholders being:

a. Individuals, Hindu Undivided Family (HUF), Association of Persons ("**AOP**"), Body of Individuals ("**BOI**") and every artificial judicial person

b. Others such as Company, Firm etc.

ii. Non-Resident Shareholders being:

a. Non-Resident Indians (NRIs),

b. Foreign Portfolio Investors (FPIs)/ Foreign Institution Investors (FIIs)

c. Others such as Company etc.

8.16.3. **Classification of Income**:

Shares can be classified under the following two categories:

i. Shares held as investment (Income from transfer taxable under the head "**Capital Gains**");

ii. Shares held as stock-in-trade (Income from transfer taxable under the head "**Profits and Gains from Business or Profession**").

Income arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, depending upon whether such shares were held as a capital asset or as stock-in-trade.

8.16.4. **Shares held as investment**:

As per the provisions of the Income Tax Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head "Capital Gains". Capital Gains in the hands of shareholders is computed as per provisions of Section 48 of the Income Tax Act.

i. **Period of holding**: Depending on the period for which the shares are held, the gain is taxable as "short-term capital gain" or "long-term capital gain":

a. In respect of listed equity shares held for a period less than or equal to 12 (twelve) months prior to the date of transfer, the same should be treated as a "short-term capital asset", and accordingly the gains arising therefrom should be taxable as "short term capital gains" ("**STCG**")..

b. Similarly, where listed equity shares are held for a period more than 12 (twelve) months prior to the date of transfer, the same should be treated as a "long-term capital asset", and accordingly the gains arising therefrom should be taxable as "long-term capital gains" ("**LTCG**").

ii. **Tendering of Shares in the Offer through a Recognized Stock Exchange in India:** Where a transaction for transfer of such equity shares (i.e. acceptance under an open offer) is transacted through recognized stock exchanges and is chargeable to Securities Transaction Tax ("STT"), then the taxability will be as under (for all categories of shareholders):

a. The Finance Act, 2018 has withdrawn the exemption under section 10(38) for LTCG arising from transfer of equity shares on or after 1 April 2018. Section 112A of the Income Tax Act provides for taxation of income arising from the transfer of such shares, which is explained in the following paragraphs.

b. The gain accrued on such equity shares till 31 January 2018 has been exempted by providing that for the purpose of computing LTCG the cost of shares acquired before 1 February 2018 shall be the higher of the following:

(i) Actual cost of acquisition; or

(ii) Lower of (A) fair market value, and (B) full value of consideration received or accruing as a result of the transfer of shares.

Fair market value has been defined to mean the highest price of the equity share quoted on any recognized

stock exchange on 31 January 2018.

c. After taking into account the exemption provided above, LTCG arising from transfer of equity shares, exceeding ₹100,000, will be taxable at 10% without allowing the benefit of indexation.

d. However, section 112A of the Income Tax Act shall not apply if such equity shares were acquired on or after 1 October 2004 and securities transaction tax ('STT under Chapter VII of the Finance (No.2) Act, 2004') was not paid. In this regard, the Central Government has issued a notification no. 60/2018/F.No.370142/9/2017-TPL dated 1st October, 2018, providing certain situations wherein section 112A of the Income Tax Act will continue to be applicable even if STT is not paid at the time of acquisition of equity shares. The notification provides for the following situations:

(i) Where acquisition of existing listed equity share in a company, whose equity shares are not frequently traded on recognized stock exchanges of India, was made through a preferential issue, subject to certain exception;

(ii) Where transaction for acquisition of existing listed equity share in a company was not entered through recognized stock exchanges of India, subject to certain exception;

(iii) (Acquisition of equity share of a company during the period beginning from the date on which the company was delisted from recognized stock exchanges and ending on the date on which the company was again listed on recognized stock exchanges in accordance with the Securities Contracts (Regulation) Act, 1956 read with the SEBI Act and any rules made thereunder.

The notification inter alia provides certain exceptions to the above situations where the provisions of Section 112A will not apply.

e. Where provision of section 112A is not applicable, LTCG will be chargeable to tax at 20%. However, for a resident shareholder, an option is available to pay tax on such LTCG under section 112 at either 20% with Indexation or 10% without Indexation.

f. STCG arising from such transaction will be subject to tax @ 15 % under Section 111A of the Income Tax Act.

g. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is required to be considered while computing tax on such LTCG or STCG taxable under Section 112, 112A or 111A of the Income Tax Act. In addition to the above LTCG or STCG tax, applicable surcharge, Health and Education Cess are leviable (as per applicable laws).

h. Minimum alternate tax ("MAT") implications will get triggered in the hands of a resident corporate shareholder. Foreign companies will not be subject to MAT if the country of residence of such of the foreign company does not have a permanent establishment in India in terms of the DTAA.

i. Non-resident shareholders can avail beneficial provision of the applicable DTAA entered into by India subject to fulfilling of the relevant conditions and the documentary compliance prescribed under the Income Tax Act.

8.16.5. **Income from Sale of shares classified as Business Income**:

i. Income from sale of shares may also be classified as Income from "Profits and Gains from Business and Profession" (i.e. Business Income). Such characterization of Income from sale of shares is dependent on the facts of each case .

a. <u>Resident Shareholders</u>:

Profits of:

i. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.

ii. Domestic companies will be taxed at 15%, 22% or 30% as the case may be.

iii. For persons other than stated in (i) and (ii) above, profits will be taxable @ 30%. No benefit of indexation by virtue of period of holding will be available in any case.

b. <u>Non-resident Shareholders:</u>

i. They can avail beneficial provisions of the applicable DTAA entered into by India with the country of which the non-resident seller is resident but subject to fulfilling relevant conditions, and non-applicability of GAAR and maintaining and providing necessary documents prescribed under the Income Tax Act.

ii. Where DTAA provisions are not applicable:

a. For non-resident individuals, HUF, AOP and BOI, profits will be taxable at applicable slab rates

b. For foreign companies, profits will be taxed in India @ 40%

c. For other non-resident Shareholders, such as foreign firms, profits will be taxed in India @ 30%.

In addition to the above, applicable Surcharge and Cess are leviable for both resident and non-resident shareholders for tax rates as per applicable law.

ii. Additionally, certain clarifications have also been issued by tax authorities with respect to classification of income from sale of shares as Business Income and the same also needs to be analysed in the light of the facts of each case.

8.16.6. **Tax Deduction at Source**:

i. In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Acquirer is not required to deduct tax on the consideration payable to resident Shareholders pursuant to the said offer.

ii. In case of Non-resident Shareholders

1 In case of FIIs / FPIs:

a. In case of FIIs: Section 196D of the Income Tax Act provides for specific exemption from withholding tax in case of Capital Gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs.

2 In case of other non-resident Shareholders (other than FIIs / FPIs) holding Equity Shares of the Target Company:

Section 195(1) of the Income Tax Act provides that any persons responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the Income Tax Act read with the provisions of the relevant DTAA, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in the records of the Registrar to the Offer except in cases where the non-resident Shareholders provide a specific mandate in this regard.

Since the offer is through the stock exchange, the responsibility of discharging the tax due on the gains (if any) is primarily on the non-resident Shareholder. The non-resident Shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India, if applicable, in consultation with their custodians/ authorized dealers/ tax advisors appropriately. The non-resident Shareholders must file their tax return in India inter-alia considering gains arising pursuant to this Offer in consultation with their tax advisors.

The non-resident Shareholders undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the non-resident Shareholders pursuant to this Offer. The non-resident Shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds pursuant to this Offer, copy of tax return filed in India, evidence of the tax paid etc.

Computation of applicable tax rates shall also include surcharge and cess (depending upon the facts of the case).

8.16.7. **Other Matters:**

i. Submission of Permanent Account Number ("**PAN**") and other details:

a. All non-resident Public Shareholders are required to submit their PAN along with self-attested copy of the PAN card for income-tax purposes. In absence of PAN for non-resident Public Shareholders, as per Notification No. 53 /2016, F.No.370 142/16/2016-TPL, they shall furnish self-attested copy of documents containing the following details**:**

i. Name, email id, contact number;

ii. Address in the country of residence;

iii. Tax Residency Certificate ("TRC") from the government of the country of residence, if the law of such country provides for issuance of such certificate; and

iv. Tax identification number in the country of residence, and in case no such number is available,

then a unique number on the basis of which such non-resident is identified by the government of the country of which he claims to be a resident.

b. If PAN or in case of non-resident Public Shareholders not having a PAN the aforesaid details are not furnished, the Acquirer will arrange to deduct tax at least at the rate of 20% as per Section 206AA of the Income Tax Act or at such rate as applicable and provided above for each category of the Public Shareholders, whichever is higher.

ii. Other points for consideration:

a. Shareholders who wish to tender their Equity Shares must submit the information / documents, as applicable, all at once along with the Form of Acceptance-cum-Acknowledgement and those that may be additionally requested for by the Acquirer. The documents submitted by the shareholders along with the Form of Acceptance-cum-Acknowledgement will be considered as final. Any further / delayed submission of additional documents, unless specifically requested by the Acquirer, may not be accepted.

b. Based on the documents and information submitted by the shareholder, the final decision to deduct tax or not, or the quantum of taxes to be deducted rests solely with the Acquirer. In case of Non-resident, if TDC is not furnished or the furnished TDC is not valid or effective as on the date of deduction then the tax will be deducted at the maximum marginal rate (plus surcharge and cess) on the gross value of consideration.

c. Taxes once deducted will not be refunded by the Acquirer under any circumstances. Taxes deducted by Acquirer will be deposited with the Government Treasury.

d. The Acquirer shall deduct tax (if required) as per the information provided and representation made by the shareholders. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the shareholders, such shareholders will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

e. The tax deducted by the Acquirer while making the payment to a shareholder under this Offer may not be the final liability of such shareholders and shall in no way discharge the obligation of the shareholders to appropriately disclose the amount received by it, pursuant to this Offer, before the income tax authorities. The rate at which tax is required to be deducted is based on the tax laws prevailing as on the date of this Draft Letter of offer. If there is any change in the tax laws with regards to withholding tax rates as on the date of deduction of tax, the tax will be deducted at the rates applicable at the time of deduction of tax.

f. All shareholders are advised to consult their tax advisors for the treatment under the Income Tax Act and that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The aforesaid treatment of tax deduction at source may not necessarily be the treatment also for filing the return of income.

g. The Acquirer and the Manager to the Open Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

THE ABOVE NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

APPLICABILITY OF OTHER RELEVANT LAWS IN INDIA (SUCH AS STAMP DUTY ETC.) SHALL DEPEND ON FACTS OF EACH CASE AND SHAREHOLDERS SHOULD CONSULT WITH THEIR OWN ADVISORS FOR THE SAME.

9. DOCUMENTS FOR INSPECTION

The following material documents will be available for inspection by Public Shareholders of the Target Company at the office of the Manager to the Offer, Inga Ventures Private Limited, 1229, Hubtown Solaris, N.S. Phadke Marg, Opp. Telli Galli, Andheri (East), Mumbai 400 069 on any Working Day (except Saturdays and Sundays) between 10.30 am to 1.00 pm during the Tendering Period.

9.1 Certificate of incorporation, Memorandum and Articles of Association of the Acquirer

9.2 Copy of Share Purchase Agreement dated December 5, 2019.

9.3 Copy of Share Subscription Agreement dated December 5, 2019.

9.4 Certificate dated December 05, 2019 issued by Sanjiv Mehta (Membership No.:034950, partner of Shaparia Mehta & Associates LLP, Chartered Accountants (Firm Registration No.:112350W/W-100051, certifying that the Acquirer has adequate financial resources to fulfill their obligations under this Offer. Annual Reports for the financial year ended March 31, 2017, March 31, 2018 and March 31, 2019 and unaudited consolidated financial statement for the six months period ended September 30, 2019 of Acquirer.

9.5 Annual Reports for the financial year ended March 31, 2017, March 31, 2018 and March 31, 2019 and unaudited consolidated financial statement for the six months period ended September 30, 2019 of the Target Company.

9.6 Financial Certificate of the Target Company, issued by Anurag Singhi, (Membership No.: *066274*, partner of Singhi & Co., Chartered Accountants (Firm Registration No.: *302049E*) dated December 05, 2019

9.7 Copy of Escrow Agreement dated December 5, 2019, entered into between the Acquirer, Escrow Banker and Manager to the Offer.

9.8 Copy of letter received from Standard Chartered Bank, confirming receipt of consideration of ₹59,52,00,000/- in the escrow account on December 09, 2019.

9.9 Copy of Public Announcement dated December 05, 2019, Detailed Public Statement published in the newspapers on December 12, 2019 and issue opening public announcement.

9.10 A copy of the recommendation made by the committee of independent directors of the Target Company to be published in the newspapers.

9.11 Copy of SEBI Observation letter no. SEBI/HO/CFD/DCR1/OW/P/2020/7268/1, dated February 25, 2020.

9.12 Copy of the letter dated January 15, 2020 received from Standard Chartered Bank for confirming the receipt of Maximum Consideration of ₹238,06,96,125 /-(Rupees Two Hundred and Thirty Eight Crores Six Lakhs Ninety Six Thousand One Hundred and Twenty Five Only) in the Escrow Account.

10. DECLARATION BY THE ACQUIRER

The Acquirer and its directors accepts full responsibility for the information contained in this LOF (other than information regarding the Sellers, the Target Company and information compiled from publicly available sources or provided by the Sellers and the Target Company, which has not been independently verified by the Acquirer or the Manager to the Offer).

The Acquirer and its directors also accept full responsibility for their obligations under the Open Offer and shall be jointly & severally responsible for the fulfillment of obligation as laid down in the SEBI (SAST) Regulations and any subsequent amendment made thereto. The person signing this LOF is duly and legally authorized by the Acquirer to sign the LOF.

On Behalf of the Acquirer
Allcargo Logistics Limited

Sd/-
Authorised Signatory
Place: Mumbai
Date : March 02, 2020

FORM OF ACCEPTANCE - CUM- ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE

[Public Shareholders holding shares in demat mode are not required to fill the Form of Acceptance unless required by their respective selling broker.]

GATI LIMITED

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)

To,
The Acquirer
C/o Link Intime India Private Limited
Unit: Gati Limited – Open Offer
C-101, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai – 400 083
Tel: + 91 22 49186200

TENDERING PERIOD FOR THIS OFFER	
OFFER OPENS ON	Friday, March 13, 2020
OFFER CLOSES ON	Friday, March 27, 2020

Dear Sir,

SUB: OPEN OFFER TO ACQUIRE UP TO 3,17,42,615 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹2 EACH, REPRESENTING 26% OF THE EXPANDED VOTING SHARE CAPITALOF GATI LIMITED ("TARGET COMPANY") BY ALLCARGO LOGISTICS LIMITED ("ACQUIRER"), PURSUANT TO AND IN COMPLIANCE WITH THE REQUIREMENTS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THERETO (SEBI (SAST) REGULATIONS) ("OPEN OFFER").

I / We refer to the Letter of Offer dated March 02, 2020 for acquiring the Equity Shares held by me / us in Gati Limited.

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

Name (in BLOCK LETTERS)	**Holder**	**Name of the Shareholder(s)**	**Permanent Account Number (PAN)**
(Please write names of the joint holders in the same order as appearing in the demat account)	Sole / First		
	Second		
	Third		
Contact Number(s) of the First Holder	**Tel No. (with STD Code); Fax No. (with STD Code):**		**Mobile No.:**
Full Address of the First Holder (with pin code)			
Email address of First Holder			
Date and Place of incorporation (if applicable)			

I / We, the undersigned, have read the Public Announcement, the Detailed Public Statement, the Letter of Offer and the issue opening public announcement cum corrigendum and understood its contents, terms and conditions, and unconditionally accept the same.

FOR ALL SHAREHOLDERS

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer are not locked-in and are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares in this Offer and that I/we am/are legally entitled to tender the Equity Shares in this Offer.

I/We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We confirm that I / We are not persons acting in concert with the Acquirer.

I / We also note and understand that the obligation on the Acquirer to pay the purchase consideration (i.e. the Offer Price) arises only after verification of the certification, documents and signatures submitted along with this Form. I / We undertake to return to the Acquirer any purchase consideration wrongfully received by me / us.

I / We give my/our consent to the Acquirer to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

I / We are / am not debarred from dealing in Equity Shares.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961 including but not limited to section 281 of the Income Tax Act, 1961.

I / We note and understand that the Equity Shares will be held by the Registrar to the Offer/ Clearing Corporation in trust for me / us till the date the Acquirer make payment of consideration as mentioned in the Letter of Offer and other documents are dispatched to the Shareholders, as the case may be.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us , or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Equity Shares, I / we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that the Equity Shares would be kept in the pool account of my/ our Selling Broker and the lien will be marked by the Clearing Corporation until the time the Acquirer make payment of purchase consideration as mentioned in the Letter of Offer. I / We authorise the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirer may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer. I / we further authorize the Acquirer to return to me / us, Equity Shares in respect of which this Offer is not found valid / not accepted without specifying the reasons thereof.

FOR NRIs/ OCBs/ FPIs AND SUB-ACCOUNTS / OTHER NON-RESIDENT SHAREHOLDERS

I/We, confirm that my/ our residential status is ("✓whichever is applicable):

☐ Individual	☐ Foreign Company	☐ FII/FPI - Corporate	☐ FII/FPI - Others	☐ FVCI
☐ Foreign Trust	☐ Private Equity Fund	☐ Pension/Provident Fund	☐ Sovereign Wealth Fund	☐ Partnership/ Proprietorship firm
☐ Financial Institution	☐ NRIs/PIOs – repatriable	☐ NRIs/PIOs - non-repatriable	☐ OCB	☐ QFI
☐ Others – please specify:	☐ Indian Company	☐ Indian Trust		

I/We confirm that my/our investment status is (and "✓whichever is applicable):

☐ FDI Route
☐ PIS Route

☐ Any other – please specify _____

I/We confirm that the Equity Shares tendered by me/us are held on ("✓whichever is applicable):

☐ Repatriable basis
☐ Non-repatriable basis

I/We confirm that ("✓ whichever is applicable):

☐ No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the RBI
☐ Copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith
☐ Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We confirm that ("✓ whichever is applicable):

☐ No RBI or other regulatory approval is required by me for tendering the Equity Shares in this Offer
☐ Copies of all approvals required by me for tendering Equity Shares in this Offer are enclosed herewith

Additional confirmations and enclosures for all Public Shareholders, as applicable

I/We, confirm that ("✓ whichever is applicable)

☐ Self-attested copy of PAN card
☐ Self-declaration form in Form 15 G / Form 15 H, in duplicate copy
☐ For Mutual funds / Banks / Notified Institutions under Section 194A(3)(iii) of the Income Tax Act, copy of relevant registration or notification
☐ 'Valid Tax Residency Certificate' issued by the income tax authority of a foreign country of which he / it claims to be a tax resident, in case the Public Shareholder intends to claim benefit under the DTAA between India and that jurisdiction in which the Public Shareholder claims to be resident and a duly filled in 'Form 10F' as prescribed under the Income Tax Act. Such other information and documentation as may be required depending upon specific terms of the relevant DTAA, including but not limited to a declaration of not having a permanent establishment in India.

BANK DETAILS

Name of the Bank	
Branch	
Account Number	
IFSC code	
MICR code	
Savings/Current/(Others: please specify)	

Public Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depositories.

In case of interest payments, if any, by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act. For details please refer to instruction no. 13 & 14 given overleaf.

Yours faithfully,

Signed and Delivered:	**Full Name**	**PAN**	**Signature**
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary board resolutions should be attached.

Place:_____

Date: _____

----------Tear Here----------

Acknowledgement Receipt – Gati Limited –Open Offer

Received from Mr./Ms./M/s._____

Form of Acceptance-cum-Acknowledgement for Gati Limited Offer as per details below:

Copy of delivery instruction to depository participant of Client ID for_____Equity Shares

Date of Receipt: Stamp of collection centre: Signature of Official:

INSTRUCTIONS

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER, THE TARGET COMPANY OR THE MANAGER TO THE OFFER

1. This Form should be filled in English.
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. Eligible Shareholders who desire to tender their Equity Shares in the dematerialized form under the Open Offer would have to do so through their respective Selling Member by indicating the details of Equity Shares they intend to tender under the Open Offer.
4. In case of Equity Shares held in joint names, names should be filled in the same order in this Form as the order in which they hold the Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.
5. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Shareholder(s) along with all the documents received at the time of submission.
6. All documents/remittances sent by or to the Shareholders will be at their own risk. Shareholders are advised to adequately safeguard their interests in this regard.
7. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.
8. Procedure for tendering the Equity Shares in case of non-receipt of the Letter of Offer: Shareholders may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, the DPS and the Letter of Offer. They can participate by submitting an application on plain paper giving details regarding their shareholding and relevant documents mentioned in paragraph 8.14.6 of the Letter of Offer.
9. Alternatively, such holders of Equity Shares may also apply on the Form of Acceptance in relation to this Offer, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.
10. The Acceptance of Shares, Settlement Process, Settlement of Funds / Payment Consideration have been mentioned in the Letter of Offer at paragraph 8.
11. The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
    The Letter of Offer along with Form of Acceptance will be dispatched/ sent through electronic mail to all the Shareholders as on the Identified Date. In case of non-receipt of the Letter of Offer, such shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
12. The Form of Acceptance or TRS is not required to be submitted to the Target Company, Manager to the Offer or the Registrar to the Offer or Registrar to the Company. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Offer shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.
13. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act.
14. If the resident and non-resident Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.

For resident Shareholders:

- ☐ Self–attested copy of PAN card
- ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
- ☐ Self-declaration in Form 15G / Form 15H (in duplicate), if applicable
- ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For non-resident Shareholders:

- ☐ Self–attested copy of PAN card
- ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirerbefore remitting the amount of interest)
- ☐ Tax Residency Certificate and a no 'permanent establishment' / business connection declaration

In an event of non-submission of certificate for deduction of tax at nil / lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Shareholder belongs, by the Acquirer.

15. If non-resident Public Shareholders had required any approval from the RBI or any other regulatory body in respect of the Offer Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Offer Shares, to tender the Offer Shares held by them pursuant to this Open Offer. Further, non-resident Public Shareholders must obtain all approvals required, if any, to tender the Offer Shares in this Open Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the LoF, and provide such other consents, documents and confirmations as may be required to enable the Acquirer and the PAC to purchase the Offer Shares so tendered. In the event any such approvals are not submitted, the Acquirer and the PAC reserve the right to reject such Offer Shares tendered in this Open Offer. If the Offer Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Offer Shares are held under general permission and whether they are held on repatriable basis or non-repatriable basis.

FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OFFER, PLEASE REFER TO THE LETTER OF OFFER

All future correspondence, if any, should be addressed to Registrar to the Offer at the following address:

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083
Tel: +91 22 4918 6200 Fax: +91 22 4918 6195
Email: gati.offer@linkintime.co.in
Contact Person: Mr. Sumeet Deshpande
SEBI Registration No.: INR000004058