

22.7. In the event that receipt of the requisite statutory and regulatory approvals are delayed, the Promoter Acquirers may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by the Promoter Acquirers by issuing an appropriate corrigendum in all the newspapers where the PA was published.

23. NOTES ON TAXATION

23.1. Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months was not be subject to capital gains tax in India if STT has been paid on the transaction prior to enactment of the Finance Act 2017. The Finance Act 2017 had amended the IT Act to provide that the said exemption was available only if STT is paid both at the time of purchase and sale of such shares, subject to certain exceptions notified by the central government.

23.2. The Finance Act 2018 has withdrawn this exemption with effect from April 01, 2018 for any transfer of listed Equity Shares, held for more than 12 months, on a recognized stock exchange. Now Capital Gain, in excess of Rs. 1 Lakh, is taxable at the rate of 10% subject to satisfaction of certain conditions. The cost of acquisition for investment made on or before January 31, 2020 has also been specified.

23.3. Capital Gain arising on shares held for a period of twelve months or less prior to their tendering in the present delisting offer will be treated as short term capital gain in the hands of the shareholder. Income Tax is payable at the rate of 15% on this short term capital gain (refer Section 111A of Income Tax Act, 1961).

23.4. Capital Gain arising on shares held for more than twelve months prior to their tendering in the present delisting offer will be treated as long term capital gain in the hands of the shareholder. Income Tax is payable at the rate of 10% on this long term capital gain (refer section 112A and section 55 (2) (ac) of the Income Tax Act, 1961).

23.5. Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India for both categories of shareholders i.e. resident shareholder as well as non – resident shareholder.

23.6. Tax deduction at source:

i. In case of resident shareholders: In absence of any specific provision under the IT Act, the Acquirer(s) shall not deduct tax on the consideration payable to resident shareholders pursuant to the Delisting Offer.

ii. In case of non-resident shareholders: Under the existing Indian tax laws, any sum paid to a non-resident which is chargeable to tax under the provisions of IT Act is subject to deduction of tax at source, except for capital gains realized by the foreign portfolio investors or such gains/ income which are exempt from tax. Since the acquisition of Offer Shares pursuant to the delisting process is through the stock exchange mechanism, the Acquirers will not be able to withhold any taxes, and thus, the Acquirers believe that the responsibility of withholding/ discharge of the taxes due on such gains (if any) is solely on the custodians/ authorized dealers/ non-resident shareholders – with no recourse to the Acquirers and/ or persons acting in concert with them.

iii. It is therefore important that the non-resident shareholders consult their custodians/ authorized dealers/ tax advisors appropriately and immediately pay taxes in India (either through deduction at source or otherwise). In the event the Acquirers and/ or persons acting in concert with them are held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirers and/ or persons acting in concert with them are entitled to be indemnified

23.7. Post delisting, the Equity Shares would be treated as unlisted shares and therefore, capital gain on sale of such unlisted Equity Shares (held for more than 24 months) would be taxable at 20% for residents in India and at 10% for non-resident in India. For Offer Shares held for 24 months or less, capital gain would be taxable at ordinary rate applicable for the shareholder. The provision of gains up to January 31, 2018 being grandfathered would not be applicable and therefore the cost of acquisition for Residual Public Shareholders would be price paid by Residual Public Shareholder for acquisition of Offer Shares. Please note while the resident shareholders are allowed the benefit of indexation on their original cost of acquisition, no such benefit is applicable for non-resident shareholders.

23.8. On purchase of Offer Shares from non-resident Residual Public Shareholders, the Acquirers would be required to deduct tax at source from the sale consideration unless the Residual Public Shareholder obtains a nil deduction certificate from the tax authorities and furnish the same to the payor prior to the remittance of the sale consideration. The amount of taxes deducted and deposited by the Acquirers can be claimed as credit by the Residual Public Shareholder against its final tax liability.

23.9. The present delisting offer will be carried out through domestic stock exchange. Therefore, STT will be collected by the stock exchange and deducted from the amount of consideration payable to the shareholder.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE INCOME TAX ASSESSING AUTHORITIES IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. 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. THE PROMOTER NEITHER ACCEPTS NOR HOLDS ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS DELISTING OFFER.

The above tax rates are subject to applicable rate of surcharge, education cess and secondary and higher education cess. The tax rate and other provisions may undergo changes

24. CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors hereby certify that –

- There are no material deviations in utilization of the proceeds of the issues (as compared to the stated objects in such issues) of securities made by the Company during the five years immediately preceding the date of the PA;
- All material information which is required to be disclosed under the provisions of the continuous listing requirements under the relevant Equity Listing Agreement entered into between the Company and the Stock Exchange have been disclosed to the BSE, as applicable;
- The Company is in compliance with the applicable provisions of securities laws;
- The Promoter, group companies of the Promoter, and their related entities are in compliance with the provisions of sub-regulation (5) of Regulation 4 of Delisting Regulations, based on the Due Diligence Report; and
- The Delisting Offer is in the interest of the Public Shareholders.

25. COMPLIANCE OFFICER

The details of Compliance Officer of the Company are as follow:

Name: Ms. Shriya Sunil Shah

Tel. No. +91-22-40589888

Fax No. +91-2226852335

Email: rmi_igrd@remigroup.com

In case the Public Shareholders have any queries concerning the non-receipt of credit or payment for Offer Shares or on delisting processes and procedure, they may address the same to Registrar to the Offer or Manager to the Offer.

26. GENERAL DISCLAIMER

Every person who desires to avail of the Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Promoter Acquirers, the Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through the a book-building process through Acquisition Window Facility or otherwise whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

For further details please refer to the Letter of Offer, the Bid Form and the Bid Revision / Withdrawal Form which will be sent to the Public Shareholders who are shareholders of the Company as on the Specified Date.

This Public Announcement is expected to be available on the website of the Stock Exchange, (www.bseindia.com).

Public Shareholders will also be able to download the Letter of Offer, the Bid Form and the Bid Revision / Withdrawal Form from the website of the Stock Exchange.

27. REGISTRAR TO THE DELISTING OFFER



Bigshare Services Private Limited

Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Andheri – East, Mumbai – 400059, India

Telephone: +91-22- 62638200; **Fax:** +91-22-62638280;

Contact Person: Mr. Arvind Tandel

Email: delisting@bigshareonline.com

Website: www.bigshareonline.com

SEBI Registration Number: INR000001385

Validity Period: Permanent

This PA is issued on behalf of the Promoter Acquirers and Promoter Group of the Company by Manager to the Offer:



SYSTEMATIX CORPORATE SERVICES LIMITED

The Capital, A Wing, 603-606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India.

Telephone: +91 22 6704 8000 **Fax:** +91 22 6704 8022

E-mail: ecm@systematixgroup.in

Website: www.systematixgroup.in

Contact Person: Amit Kumar

SEBI Registration No: INM000004224

Validity Period: Permanent

For and on behalf of
Remi Securities Limited
(Promoter Acquirer 1)
Sd/-

Sanjay Maheshwari
Whole Time Director

Remi Finance & Investment Private Limited
(Promoter Acquirer 3)
Sd/-

Mahabir Prasad Sharma
Director

Bajrang Finance Limited
(Promoter Acquirer 2)
Sd/-

Nirmal Murarka
Whole Time Director

Vishwakarma Jobworks Limited
(Promoter Acquirer 4)
Sd/-

Shiv Kumar Sharma
Director

Date: February 10, 2021

Place: Mumbai