

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This post delisting exit offer letter ("**Post Delisting Exit Offer Letter**") is being sent to you as an equity shareholder of Kothari World Finance Limited (the "**Company**"), who has neither given the consent to remain the Equity shareholder of the Company even if it is delisted nor tendered the equity shares in the delisting offer at the exit price offered (hereinafter referred to as the "**Residual Public Shareholders**") in respect of the delisting of Equity Shares (as defined below) from BSE Limited ("**BSE**") in accordance with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended for the time being in force ("**Delisting Regulations**"). In case you have recently sold your Equity Shares, please hand over this Post Delisting Exit Offer Letter and the accompanying documents to the member of the stock exchange through whom the sale was effected or the person to whom you sold your equity shares, as the case may be.

POST DELISTING EXIT OFFER LETTER
For the Residual Public Shareholders of



KOTHARI WORLD FINANCE LIMITED

Registered Office: C - 121, 12th Floor, Mittal Tower, Nariman Point, Mumbai – 400 021

Telephone: +91 - 22 - 22851620, **Fax:** +91 - 22 - 22871695

Website: www.kothariworld.com, **Email:** info@kothariworld.com,

CIN No. L65993MH1985PLC035005

From **Mr. Nitesh Kothari**

Address: C-121, Mittal Tower, Nariman Point, Mumbai – 400021

Tel.: +91 - 22 - 22851620; **Email:** nitesh@kothariworld.com

(hereinafter referred as the "**Promoter /Acquirer**")

inviting you to tender your fully paid-up equity shares of ₹10/- each held by you in Kothari World Finance Limited ("**Equity Shares**") at the Exit Price of ₹52/- per Equity Share.

Exit Price: ₹ 52/- per equity share of face value of ₹10/- each.

**NOTE: THE EQUITY SHARES OF THE COMPANY WILL BE DELISTED FROM BSE
WITH EFFECT FROM FRIDAY, JUNE 19, 2020.**

If you wish to tender your Equity Shares to the Promoter / Acquirer, you should:

- read this Post Delisting Exit Offer Letter and the instructions herein.
- Complete and Sign the accompanying Exit Application Form ("**Exit Application Form**") in accordance with the instructions contained therein and in this Post Delisting Exit Offer Letter.
- ensure that you have credited your Equity Shares to the specified special depository account, the details of which are set out in paragraph (1)(b) of this Post Delisting Exit Offer Letter.

THE ENCLOSED EXIT APPLICATION FORM IS TO BE SUBMITTED TO THE PROMOTER/ACQUIRER ONLY BY HAND DELIVERY OR REGISTERED POST OR SPEED POST OR COURIER (AT THEIR OWN RISK AND COST) ALONG WITH ALL APPLICABLE DOCUMENTS IN ACCORDANCE WITH THE TERMS AND CONDITIONS SET OUT IN THIS POST DELISTING EXIT OFFER LETTER AT THE ADDRESS AS MENTIONED ABOVE

EXIT PRICE	₹ 52/- per Equity Share
POST DELISTING EXIT PERIOD OPENING DATE	Friday, June 19, 2020
POST DELISTING EXIT PERIOD CLOSING DATE	Friday, June 18, 2021

Dear Residual Shareholder(s),

This is an invitation to tender your Equity Shares to the Promoter / Acquirer at the Exit Price of ₹52/- per equity share, subject to details and the terms and conditions provided below (“Exit Offer”).

The Promoter/ Acquirer vide the Delisting Offer Letter dated March 18, 2020, made an offer seeking consent for the proposal of delisting and acquire up to 25,22,955 Equity Shares representing 33.92% of the fully paid-up equity share capital of the Company (“**Offer Shares**”) from the public shareholders of the Company (“**Public Shareholders**”) and consequently delisting the Equity Shares from the BSE, being the only stock exchange where the Equity Shares were listed, in accordance with the Delisting Regulations.

The Public Shareholders were invited to either tender or give consent for delisting & remain shareholders of the Company even if it is delisted, from March 30, 2020 to April 15, 2020 (“**Delisting Offer Period**”), in accordance with the Delisting Regulations.

The Delisting Offer was successful in terms of Regulation 27(3)(d) of the Delisting Regulations as the Company received the consent of public shareholders holding 31.30% equity shares out of the total 33.92% public shareholding (31.30% being more than 90% of the total public shareholding).

Following the closure of the Delisting Offer and in accordance with Regulation 8(5) of the Delisting Regulations, the Company had applied to BSE on May 27, 2020 seeking final delisting approval of its Equity Shares. The BSE vide its notice number 20200605-38 dated June 05, 2020, had communicated that **trading in the Equity Shares of the Company (Scrip Code: 511138) will be discontinued with effect from Friday, June 12, 2020 and the above referred scrip will be delisted from Exchange records with effect from Friday, June 19, 2020.**

Thus, the date of delisting of the Equity Shares from the BSE is Friday, June 19, 2020 (“**Date of Delisting**”). Delisting means that the Equity Shares cannot and will not be traded on the stock exchange and a liquid market for trading of the Equity Shares will no longer be available.

The Promoter/ Acquirer is hereby providing an exit opportunity to tender their Equity Shares for a period of one year from the Date of Delisting, only to those public shareholders of the Company who, have neither gave their consent to remain the Equity shareholder of the Company even if it is delisted nor tendered their equity shares in the delisting offer at the exit price offered by the Promoter/Acquirer (“**Residual Public Shareholders**”).

Please note Public Shareholders who gave their positive consent for the delisting proposal and opted to remain holder of equity shares of the Company are not eligible for this Exit Offer.

Residual Public Shareholders can tender their Equity Shares to the Promoter/ Acquirer at the Exit Price of ₹52/- per Equity Share at any time from Friday, June 19, 2020 till Friday, June 18, 2021 (the “**Exit Offer Period**”), on the terms and subject to the conditions set out in this Post Delisting Exit Offer Letter.

The Residual Public Shareholders can download a copy of the Post Delisting Exit Offer Letter along with the Application Form, from the website of the Company at www.kothariworld.com.

PROCEDURE FOR TENDERING YOUR EQUITY SHARES UNDER THE EXIT OFFER

Please contact the Promoter/Acquirer at the contact details given on the front page of this Post Delisting Exit Offer Letter, if you require any clarification regarding the procedure for tendering your Equity Shares.

1) Procedure for Residual Public Shareholders holding Equity Shares in DEMAT FORM:

(a) The Residual Public Shareholders holding Equity Shares in dematerialized form, who are desirous of tendering

their Equity Shares in the Exit Offer must submit (i) the enclosed Exit Application Form duly filled and signed, and (ii) a counterfoil / photocopy of their depository participant instruction/ inter depository instruction evidencing transfer of dematerialized Equity Shares to the Special Depository Account, as detailed in paragraph (1) (b) below, by hand delivery or by registered post/ speed post or courier (at their own risk and cost) with the envelope marked “**Kothari World Finance Limited – Exit Offer**” so as to reach the Promoter/Acquirer at the address given on the front page of this Post Delisting Exit Offer Letter on or before Friday, June 18, 2021. (i.e. the last day of the Exit Offer Period).

- (b) The Residual Public Shareholders desirous of tendering their equity shares in the Exit Offer must transfer their dematerialized Equity Shares from their respective depository account, **in off-market mode**, to the Special Depository Account with the Central Depository Services of India Limited (“**CDSL**”) opened with Keynote Capitals Limited, details of which are as follows:

Depository	CENTRAL DEPOSITORY SERVICES LIMITED
Special Depository Account Name	KOTHARI WORLD FINANCE LIMITED- DELISTING ESCROW ACCOUNT- OPERATED BY KFSL
Name of the Depository Participant	KEYNOTE CAPITALS LIMITED
DP Identification Number	12024300
Client Identification Number	00082843

- (c) Residual Public Shareholders having their beneficiary account in National Securities Depository Limited shall use the Inter-Depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with CDSL.
- (d) **All transfers should be in off-market mode.** A photocopy of the delivery instructions or counterfoil of the delivery instructions submitted to the depository participant of the Residual Public Shareholder’s depository account and duly acknowledged by such depository participant crediting the Residual Public Shareholder’s Equity Shares to the Special Depository Account, should be attached to the Exit Application Form.
- (e) In case your depository participant offers the facility of online transfer of shares, then instead of the photocopy of the acknowledged delivery instruction slip you may attach a printout of the computer-generated confirmation of transfer of shares.
- (f) **It is the sole responsibility of the Residual Public Shareholders to ensure that their Equity Shares are credited to the Special Depository Account in the manner as mentioned above and their application is delivered or reach the Promoter/Acquirer on or before the expiry of the Exit Offer Period.**
- (g) The Equity Shares will be held in the Special Depository Account until the consideration payable has been dispatched to the Residual Public Shareholders or the unaccepted shares are credited back to the Residual Public Shareholder’s depository account.
- (h) The ISIN for the Equity Shares of the Company is **INE988F01017**.
- (i) In case that you are not a resident of India, please submit along with your Exit Application Form all documents as specified in paragraph 6 (**INFORMATION TO NON-RESIDENT RESIDUAL PUBLIC SHAREHOLDERS**) of this Post Delisting Exit Offer Letter.

RESIDUAL PUBLIC SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM SHALL NOTE THE FOLLOWING:

As per Rule 9A [“Issue of Securities in Dematerialised Form by Unlisted Company”] of Companies (Prospectus and Allotment of Securities) Rules, 2014, every holder of securities of an unlisted public company who intends to transfer such securities on or after October 2, 2018, shall get such securities dematerialised before the transfer.

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

- 2) It shall be the responsibility of the Residual Public Shareholders tendering their Equity Shares in the Exit Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering such shares in the Exit Offer, and the Promoter/ Acquirer or the Company shall take no responsibility for the same. The Residual Public Shareholders should attach a copy of any such approval to the Exit Application Form, wherever applicable. On receipt of the Equity Shares in the Special Depository Account, the Promoter/ Acquirer shall assume that the Residual Public Shareholders have submitted their Exit Application Forms only after obtaining applicable approvals, if any. The Promoter/ Acquirer reserves the right to reject those Exit Application Forms which are submitted without attaching a copy of such required approvals.
- 3) The Equity Shares to be acquired under this Exit Offer are to be acquired free from all liens, lock-ins, charges and encumbrances and together with all rights attached thereto. Equity Shares that are subject to any charge, lock-ins, lien or encumbrance are liable to be rejected.
- 4) The Residual Public Shareholders may tender their Equity Shares to the Promoter/ Acquirer at any time during the Exit Offer Period. Residual Public Shareholders should ensure that their Exit Application Form together with necessary enclosures is received by the Promoter/ Acquirer on or before the last day of the Exit Offer Period, at the address given on the front page of this Post Delisting Exit Offer Letter. **Further note that the hand delivery shall be accepted from Monday to Friday, 10AM to 5PM, except on public holidays.**

Eligible Shareholders may obtain a soft copy of the Post Delisting Exit Offer Letter from the website of the Company at www.kothariworld.com

5) RESIDENT RESIDUAL PUBLIC SHAREHOLDERS ARE REQUESTED TO SUBMIT THE BELOW MENTIONED DOCUMENTS, AS APPLICABLE, ALONG WITH THE EXIT APPLICATION FORM:

Category	Procedure
Individual / HUF	1. Exit Application Form duly filled and signed; 2. The photocopy of the delivery instruction slip duly executed and acknowledged by DP for transfer of the dematerialized Equity Shares from the respective depository account, in off-market mode, to the Special Depository Account; and 3. Other documents, as applicable, if any.
Corporate	1. Exit Application Form duly filled and signed by an authorized signatory; 2. The photocopy of the delivery instruction slip duly executed and acknowledged by DP for transfer of the dematerialized Equity Shares from the respective depository account, in off-market mode, to the Special Depository Account; and 3. Other documents, as applicable, if any.
Custodian	1. Exit Application Form duly filled and signed by an authorized signatory; 2. The photocopy of the delivery instruction slip duly executed and acknowledged by DP for transfer of the dematerialized Equity Shares from the respective depository account, in off-market mode, to the Special Depository Account; and 3. Other documents, as applicable, if any.

Category	Procedure
Tendering through Power of Attorney (“POA”)	<ol style="list-style-type: none"> Exit Application Form duly filled and signed by the POA holders; The photocopy of the delivery instruction slip duly executed and acknowledged by DP for transfer of the dematerialized Equity Shares from the respective depository account, in off-market mode, to the Special Depository Account; and Residual Public Shareholder should ensure that the POA is duly registered with their depository participant.

6) INFORMATION TO NON-RESIDENT RESIDUAL PUBLIC SHAREHOLDERS

- (a) It shall be the responsibility of the Residual Public Shareholders who are non-resident Indians, persons resident outside India, OCBs, FPIs, etc. (“**Non-Resident Residual Public Shareholders**”) tendering their Equity Shares in the Exit Offer, to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering the Equity Shares held by them in the Exit Offer, and the Promoter/ Acquirer shall take no responsibility for the same. Non-Resident Residual Public Shareholders may also choose to apply to the Reserve Bank of India (“**RBI**”) for requisite approval as may be required to tender their respective Equity Shares. The Non-Resident Residual Public Shareholder should attach a copy of such approval to the Exit Application Form, wherever applicable.
- (b) Non-Resident Residual Public Shareholders are requested to submit the below mentioned documents, as applicable, along with the Exit Application Form:

Category	Procedure
Non - resident Indian	1. Exit Application Form duly filled and signed by the registered Residual Public Shareholder(s) or the POA holder(s).
	2. The duly executed/ acknowledged photocopy of the delivery instruction slip for transfer of the dematerialized Equity Shares from the respective depository account, in off-market mode, to the Special Depository Account.
	3. A Tax Clearance Certificate (“ TCC ”) from Income Tax Authorities under Section 195(3) or Section 197 of the Income Tax Act, 1961. In absence of such certificate from the Income-tax authorities, the Company shall deduct tax on gross consideration at the prescribed rate of tax.
	4. Copy of the permission received from the RBI for the Equity Shares held by them. If the Equity Shares are held under the general permission of the RBI, the Non-Resident Residual Public Shareholder should furnish a copy of the relevant notification/circular pursuant to which the Equity Shares are held and state whether the Equity Shares are held on repatriable or non-repatriable basis.
	5. Where Non-Resident Residual Public Shareholder is tax resident of a country which has entered into a Double Tax Avoidance Agreement (“ DTAA ”) with India, it may be possible for the Non-Resident Residual Public Shareholder to avail the beneficial provisions, if any, under the DTAA. If the Non-Resident Residual Public Shareholder opts to avail the beneficial provisions as per DTAA, a tax residency certificate of such person from the tax authorities of the country of which such person is the tax resident and prescribed Form 10F.
	6. Copy of relevant pages of demat account if the Equity Shares have been held for more than twenty four months prior to the date of acceptance of Equity Shares under the Exit Offer along with broker invoice/contract note evidencing the date on which the shares were acquired.

Category	Procedure
	7. Duly filled Form FC-TRS in Single Master Form issued by the RBI by way of A.P (DIR Series) Circular No.30 of June 07, 2018.

Category	Procedure
Foreign Portfolio Investor ("FPI") / Overseas Corporate Bodies ("OCB")	1. Exit Application Form duly filled and signed by an authorized signatory.
	2. The duly executed/ acknowledged photocopy of the delivery instruction slip for transfer of the dematerialized Equity Shares from the respective depository account, in off-market mode, to the Special Depository Account.
	3. TCC from the Income Tax Authority.
	4. Self-attested Registration Certificate issued by SEBI and a copy of the notification issued under section 115AD of the Income Tax Act, 1961, showing name of FPI.
	5. FPI certificate (self-attested declaration certifying the nature of income arising from the sale of shares, whether capital gains or otherwise and also stating their residential status, and that it does not have a permanent establishment in India.)
	6. Certificate from a chartered accountant (along with proof such as demat account statement) certifying that the shares have been held for more than one year along with acquisition cost, if applicable along with broker invoice / contract note evidencing the date on which the shares were acquired.
	7. The Non-Resident Residual Public Shareholder may also provide a bank certificate certifying inward remittance to avail concessional rate of tax deducted at source for long term capital gains under section 115E of Income Tax Act, 1961.
	8. Copy of the permission received from the RBI for the Equity Shares held by them. If the Equity Shares are held under the general permission of the RBI, the Non-Resident Residual Public Shareholder should furnish a copy of the relevant notification/circular pursuant to which the Equity Shares are held and state whether the Equity Shares are held on repatriable or non-repatriable basis.
	9. Where Non-Resident Residual Public Shareholder is tax resident of a country which has entered into a DTAA with India, it may be possible for the Non-Resident Residual Public Shareholder to avail the beneficial provisions, if any, under the DTAA. If the Non-Resident Residual Public Shareholder opts to avail the beneficial provisions as per DTAA, a tax residency certificate of such person from the tax authorities of the country of which such person is the tax resident and prescribed Form 10F.
	10. Duly filled Form FC-TRS in Single Master Form issued by the RBI by way of A.P (DIR Series) Circular No.30 of June 07, 2018.

(c) The Promoter/ Acquirer will rely on the information provided by the Residual Public Shareholder as to whether the capital asset being equity shares of the Company constitute short-term or long-term capital asset for the Residual Public Shareholder, for the purpose of deduction of tax at source. Where the information provided by the Residual Public Shareholder is ambiguous, incomplete or conflicting or the information is not available with the Company regarding the same, the capital gain shall be assumed to be short-term in nature.

(d) If any of the documents referred to in the paragraphs above are not enclosed along with the Non Resident Residual Public Shareholder's Exit Application Form, such Non Resident Residual Public Shareholder's tender of Equity Shares under the Exit Offer may be treated as invalid.

SETTLEMENT-PAYMENT OF CONSIDERATION

(a) Following fulfillment of the conditions mentioned herein, and receipt of the requisite regulatory approvals (if

any), the applicable consideration (after deducting applicable withholding tax) will be paid by the Promoter/ Acquirer by way of demand draft or electronic credit. The demand drafts will be dispatched to the relevant Residual Public Shareholders, at their own risk, by way of speed post / registered post/ courier. The Promoter/ Acquirer will credit the payment to Residual Public Shareholders who have validly tendered their Equity Shares in this Exit Offer following the receipt and verification of duly filled valid Exit Applications Form(s) (together with necessary enclosures, if any) and receipt of the Equity Share(s) in the Special Depository Account.

- (b) The Promoter/ Acquirer shall make electronic fund transfers or issue demand drafts to the Residual Public Shareholders (as the case may be) who have validly tendered their Equity Shares in the Exit Offer. Subject to any regulatory approvals as may be required.
- (c) The bank details received electronically from the Residual Public Shareholder's depository participant shall be used for making payment of the consideration. **Thus, the Residual Public Shareholders are advised to ensure that bank account details are updated in their respective depository participant accounts.** In case the electronic transfers are unsuccessful due to wrong bank accounts details or unavailability of bank account details or availability of incomplete bank account details of the Residual Public Shareholders, the payment of consideration to the Residual Public Shareholder will be done in the form of a demand draft in favor of the first/sole Residual Public Shareholder and dispatched by registered post/speed post/courier, at the Residual Public Shareholder's sole risk, at the address obtained from the first / sole shareholders' depository participant (however, there will be no obligation on the Promoter/ Acquirer to do the same). The Promoter/ Acquirer or the Company shall be responsible for delay in receipt of consideration by the Residual Public Shareholder.
- (d) The Equity Shares received from any invalid bids deposited in the Special Depository Account, will be credited back to the respective depository account with the respective depository participants as per the details furnished by the relevant Residual Public Shareholder in the Exit Application Form.
- (e) The Equity Shares received from Residual Public Shareholder in physical form will be rejected and returned to such Residual Public Shareholder and dispatched by registered post/speed post/courier, at the Residual Public Shareholder's sole risk, at the address of the first/sole shareholders'.

EXIT OFFER PERIOD

The Residual Public Shareholders may tender their Exit Application Forms to the Promoter/ Acquirer at the Exit Price at any time during the Exit Offer Period. The Residual Public Shareholders are required to ensure that their Exit Application Form, together with the necessary enclosures, is received by the Promoter/ Acquirer on or before Friday, June 18, 2021.

STATUTORY AND OTHER APPROVALS

- (a) To the best of the Promoter/ Acquirer's knowledge, as of the date of this Post Delisting Exit Offer Letter, no statutory or regulatory approval is required to acquire the Equity Shares of the Company by the Promoter/ Acquirer. If any other statutory or regulatory approval becomes applicable, the acquisition of the Equity Shares by the Promoter/ Acquirer pursuant to this Exit Offer will be subject to such statutory or regulatory approvals.
- (b) It shall be the responsibility of the Residual Public Shareholders tendering their Equity Shares in the Exit Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering the Equity Shares held by them in the Exit Offer, and the Promoter/ Acquirer shall take no responsibility for the same. The Residual Public Shareholders should attach a copy of any such approval to the Exit Application Form, wherever applicable.

(c) The Promoter/ Acquirer reserves the right not to proceed with the acquisition of the Equity Shares pursuant to the Exit Offer in the event the approval(s), if any, is/are not obtained, or conditions which the Promoter/ Acquirer considers in its sole discretion to be onerous are imposed in respect of such approval(s).

NOTE ON TAXATION

The Promoter/ Acquirer will be acquiring the Equity Shares for up to a period of one (1) years from the Date of Delisting. Since such transaction of the Equity Shares is proposed to be done in off-market mode, such transaction is not chargeable to securities transaction tax and hence provisions of section 112A of the Income Tax Act, 1961 will not apply to the Residual Public Shareholders.

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.

ALL THE RESIDUAL PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE EXIT OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE PROMOTER/ ACQUIRER NEITHER ACCEPTS NOR HOLDS ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS EXIT OFFER.

COMPANY SECRETARY AND COMPLIANCE OFFICER OF THE COMPANY

Ms. Madhu Kadam

Company Secretary & Compliance Officer

Office Address: C-121, 12th floor, Mittal Tower, Nariman Point, Mumbai- 400021

Tel.: +91 - 22 - 22851620

Email: info@kothariworld.com

GENERAL DISCLAIMER

The Residual Public Shareholder who desires to avail the Exit Offer may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claims against the Promoter/ Acquirer or the Company, whatsoever by reason of any loss which may be suffered by such Residual Public Shareholder consequent to or in connection with the Exit Offer.

Yours Sincerely,

Sd/-

Nitesh Kothari

Promoter/Acquirer

Date: June 18, 2020

Enclosure: Exit Application Form