



Maharaja Shree UMAID MILLS LIMITED

Regd. Office : 7, Munshi Premchand Sarani, Hastings, Kolkata – 700 022

Phone : +91-33-22230016, **Fax :** +91-33-22231569, **E-mail :** kolkata.msum@lnbgroup.com

Website : www.msumindia.com, **CIN :** U17124WB1939PLC128650

Head Office and Works : Jodhpur Road, Pali - 306 401 (Rajasthan)

Phone : +91-2932-220286/288, **Fax :** +91-2932-221333, **Email :** ho.msum@lnbgroup.com

For Equity Shareholders only

Private & Confidential

LETTER OF OFFER FOR RIGHT ISSUE

Issue of 2,73,86,240 Equity Shares with a face value of Rs.10/- each for cash at a Price of Rs. 10/- per Rights Shares for an amount aggregating Rs. 27,38,62,400/- on Rights Basis in the Ratio of 9:20 i.e. (9) Rights Equity Shares for every (20) fully paid-up Equity Shares held by the equity shareholders on the Record date i.e. 15.07.2022.

**ISSUE OPENS ON
29.07.2022**

**ISSUE CLOSES ON
13.08.2022**

**LAST DATE FOR RECEIVING
REQUEST FOR SPLIT FORMS
06.08.2022**

NOTES :

1. Please read this letter of offer and the instructions contained in the enclosed Composite Application Form carefully before taking any action. The instructions contained in the enclosed Composite Application Form (hereinafter referred to as CAF) form an integral part of the conditions of this Letter of Offer and must be carefully followed, otherwise the application is liable to be rejected.
2. All enquiries in connection with this Letter of Offer or the accompanying CAF should be made to the Company at its Registered Office quoting the Registered Folio Number and the CAF Number as mentioned in the CAF.

Dear Shareholder(s),

Your Company is making issue of 2,73,86,240 Equity Shares with a face value of Rs.10/- each for cash at a Price of Rs. 10/- per Rights Shares for an amount aggregating Rs. 27,38,62,400/- on Rights Basis as detailed in this Letter of Offer.

CAPITAL STRUCTURE OF THE COMPANY

SHARE CAPITAL

| A. AUTHORISED | Value (Rs.) |
|---|--------------------|
| 9,00,00,000 Equity Shares of Rs. 10/- each | 90,00,00,000 |
| B. ISSUED SUBSCRIBED AND PAID UP | |
| 6,08,58,309 Equity Shares of Rs.10/- each | 60,85,83,090 |
| C. PRESENT ISSUE | |
| 2,73,86,240 Equity Shares of Rs. 10/- each for cash on rights basis | 27,38,62,400 |
| D. CAPITAL AFTER THE PRESENT ISSUE | |
| 8,82,44,549 Equity Shares of Rs.10/- each | 88,24,45,490 |

AUTHORITY FOR THE PRESENT ISSUE

The aforesaid Right Offer of Equity Shares to the shareholders of the Company has been duly authorized by the Board of Directors of the Company at their meeting held on 19th July, 2022.

BASIS OF OFFER

In terms of section 62 (1) (a) of the Companies Act, 2013, offer is being made for 2,73,86,240 Equity Shares with a face value of Rs. 10/- each for cash at a Price of Rs. 10/- per Rights Shares for an amount aggregating Rs. 27,38,62,400/- on Rights Basis in the Ratio of 9:20 i.e. (9) Rights Equity Shares for every (20) fully paid-up Equity Shares held by the equity shareholders on the Record date i.e., 15.07.2022. With regards to the fractional entitlement of the Equity Shareholders, there will be rounding off i.e., 0.5 and above will be rounded up to nearest whole number and shares below 0.5 will be ignored.

ENTITLEMENT

As an equity shareholder of the Company on the Record Date i.e., 15.07.2022 holding the numbers of equity shares mentioned in part A of the enclosed CAF, you are entitled to this offer. The number of Rights Equity Shares to which you are entitled is also shown in part A of the enclosed CAF. The fractional entitlement of the Equity Shareholders shall be rounded off as stated above under Basis of Offer.

ACCEPTANCE OF OFFER

You may accept and apply for the shares hereby offered to you wholly or in part by filling up the enclosed CAF and submitting the same along with the application money to the Company at its Registered Office at 7, Munshi Premchand Sarani, Hastings, Kolkata – 700 022 on or before the closing of banking hours on 13.08.2022.

ADDITIONAL EQUITY SHARES

If you have accepted your entitlement to all shares offered to you, you may also apply for additional equity shares by indicating your requirement in block 4 of part A of CAF. In case you renounce in full or part of your entitlement of rights equity shares, you will not be eligible to apply for additional equity shares. Application for additional shares would be considered by the Board for allotment at its absolute discretion. Renouncee will not be entitled to apply for additional equity shares.

RENUNCIATION

You have the right to renounce your entitlement for equity shares in full or in part favour of any other person(s), companies, body corporates, statutory institutions, trusts (Provided the Trust is registered under the Societies Act, 1960 and authorized under its constitution to hold shares or debentures in a Company), and not to minors, foreign nationals, partnership firms, HUF or nominees of any of them. The renouncee(s) cannot further renounce.

Submission of the enclosed CAF to the Company with the form of renunciation (Part B) purporting to have been signed by the person(s) in whose favour it has been issued shall be conclusive evidence to the Company in favour of the person(s) applying for equity shares in part C to receive allotments of such equity shares. Part A must not be used by renouncee(s) as this will render the application invalid.

The right of renunciation is subject to the condition that the Board shall be entitled in its absolute discretion, to reject the request for allotment to any renouncee(s) without assigning any reason thereof, except where the renunciations is made in favour of existing Shareholders.

TERMS OF OFFER

The Equity Shares now being offered are subject to the provision of Section 62(1)(a) of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, the Letter of Offer and the CAF.

TERMS OF PAYMENT

The amount of Rs.10/- per Equity Share will be payable on application.

RANKING OF NEW SHARES

The Equity Shares now being offered shall rank *pari-passu* in all respects with the existing equity shares of the Company, save and except that the equity shares now being offered shall qualify for dividend, if any, that may be declared for the financial year in which the same are allotted, pro-rata from the date of allotment.

PAYMENTS-WHERE TO BE MADE

After completion, the enclosed CAF should be forwarded together with proper remittance to the Company at its registered office either by hand delivery or by registered post or by courier so as to reach the Company on or before the closing of banking hours on 13.08.2022.

PAYMENTS HOW TO BE MADE

Payment should be made by Cheque/Demand Draft/NEFT/RTGS drawn on any Bank. A separate Cheque/Demand Draft/NEFT Advice/RTGS Advice must accompany each CAF. Money Orders, outstation Cheques and postal Order will not be accepted. The Cheque/Demand Draft should be drawn in favour of "**Maharaja Shree Umaid Mills Limited - Right Issue 2022**" payable at par and crossed "A/C Payee Only". No receipt will be issued for application money received. However, the Company while receiving the application by hand delivery will acknowledge the receipt of the same by stamping and returning the acknowledgement slip at the bottom of the CAF.

DETAILS FOR NEFT/RTGS PAYMENT

The details for NEFT/ RTGS Payment are as follows:

Account Name : **Maharaja Shree Umaid Mills Limited - Right Issue 2022**
Account No. : **0654 0500 3215**
IFSC Code : **ICIC0000654**
Bank : **ICICI Bank Limited**
Branch : **108, Mahaveer Marg, Sumerpur Road, Pali, Rajasthan - 306 401**

FOR NON-RESIDENT INDIAN APPLICANTS

Payment made by Non-Resident Indians shall be through permissible accounts in accordance with Foreign Exchange Management Act, 1999 and related regulations thereof (including Notification, Circulars etc issued by RBI from time to time) read with Notification No. FEMA. 395/2019-RB dated October 17, 2019- Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019.

INCOMPLETE APPLICATIONS

Application Forms which are not complete or are not accompanied by the proper amounts calculated as aforesaid are liable to be rejected.

LAST DATE FOR SUBMISSION OF COMPOSITE APPLICATION FORM

The last date for receipt of CAFs by the Company together with the amount payable on application is 13.08.2022. The offer shall remain open from 29.07.2022 to 13.08.2022 (both days inclusive). Any of the shareholders intending to subscribe to the shares must send the acceptance letter to the Company during the said period. If the Application Form together with the amount payable thereunder and other required documents is not received by the Company on or before the closing of banking hours on 13.08.2022 or such extended date as may be announced by the Board, not being more than 30 days from the date of opening of the issue, the Offer contained in the Letter shall be deemed to have been declined by you.

REFUND / ALLOTMENT

In case of the equity shares applied for not being allotted, the application money will be refunded without interest to the applicant(s) concerned within 60 days from the date of closure of subscriptions list or in the event of any unforeseen circumstances within such further time as may be decided by the Board of Directors in their absolute discretion. Refunds will be made by Cheque/Pay Order/Demand Draft/NEFT/RTGS drawn on Company's bankers and in favour of the applicant whose name appear first registered with the Company.

ISSUE OF SHARES IN DEMATERIALIZED FORM

In accordance with the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 dated 10th September, 2018, the shares will be issued only in dematerialized form. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Company at its Registered Office to enable the Company to credit new allotted shares in their respective demat accounts. If the eligible equity shareholders holding Equity Shares in physical form as on Record Date do not furnish the details of their demat account to the Company at its Registered Office alongwith filled and signed Composite Application Form, the same application would not be entertained and shall liable to be rejected.

BASIS OF ALLOTMENT

In the event of oversubscription, allotment of share(s) will be made in such a manner as the Board of Directors in its absolute discretion deems fit.

UNSUBSCRIBED EQUITY SHARES

The unsubscribed portion, if any, out of the right issue will be disposed of on such terms and in such a manner as the Board of Directors at its absolute discretion deems fit.

OBJECTS OF THE ISSUE

The object of the issue is to meet the funding needs of the Company for its Textile Business and other related requirements.

BRIEF HISTORY OF THE COMPANY

The Company was incorporated as a private limited company on 12th August, 1939 under the provisions of the Marwar Companies Ordinance 1923 as Maharaja Shree Umaid Mills. The name of the Company was further changed to Maharaja Shree Umaid Mills Limited on 8th March, 1952.

The Company has been promoted with an object to do the business of manufacturing of cotton, silk, artificial silk, wool, jute, yarn and other allied products.

Maharaja Shree Umaid Mills Limited, an LN Bangur group enterprise is a Composite Textile company with over eighty years' standing in the chosen business of Yarns and Fabrics. Having an ISO 9001:2008 certification and a star export house status, it is a technically and technologically upgraded, scalable and diversified yarns manufacturing unit apart from processed fabrics. The range of products comprises premium quality Cotton Combed and Carded Ring spun as well as Open Ended Yarns, Compact yarns and Elli-twist yarns and Viscose spun yarns meeting the committed quality parameters for varied Knitting and Weaving applications. Products of

the Company are available across the country through direct supplies / networking. Products of the Company are being exported to more than several countries across the continents. The Company has strong belief in developing and nurturing the relationship with the business associates for the mutual growth.

MAIN OBJECTS OF THE COMPANY

“To carry on the business of manufacturers of cotton, silk, artificial silk, wool, flax, hemp and jute and similar fibres and of merchants, importers and growers of and dealers in cotton, silk, wool, flax, hemp and jute and all products thereof; and the business of cotton spinners and doublers, silk, wool, flax, hemp and jute spinners, combers and weavers and/or dyers, bleachers, cleaners and finishers and manufacturers of and dealers in dyeing and bleaching materials, and manufacturing and general chemists and druggists; and to comb, spin, wind, weave, scour, clean, prepare, render marketable and buy, sell or deal in Cotton, silk, flax, hemp, jute, wool and other like substances; and to manufacture, work up, buy, sell and deal in linen, cloth, silk, satin, satinette, plush, velvet, velveteen yarn, thread and other goods and fabrics and to carry on the business of ginning and pressing and to supply power.”

MANAGEMENT

The Management of the Company vests with the Board of Directors which comprises of qualified and experienced businessmen and professionals.

The Board of Directors consists of the following:

- 1) Shri L.N. Bangur (Chairman & Managing Director)
- 2) Shri Yogesh Bangur (Deputy Managing Director)
- 3) Smt. Alka Devi Bangur (Director)
- 4) Shri Amitav Kothari (Independent Director)
- 5) Shri Rajiv Kapasi (Independent Director)

Yours faithfully
By Order of the Board
For **Maharaja Shree Umaid Mills Limited**

Place : Kolkata
Date : 19-07-2022

(Atul Krishna Tiwari)
Company Secretary