

FOR THE ELIGIBLE SHAREHOLDERS OF OUR COMPANY ONLY

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated July 16, 2019 (“Letter of Offer”). You are encouraged to read greater details available in the Letter of Offer. Capitalised terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

Our Company has dispatched hard copy of the Abridged Letter of Offer along with the Composite Application Form (“CAF”) to the Eligible Shareholders at their Indian addresses registered with their depository. You may also download the Letter of Offer from the website of Securities and Exchange Board of India (SEBI), the Stock Exchange where the Equity Shares of our Company is listed i.e. the BSE Limited and the Lead Manager to the Issue i.e. IndiaNivesh Corporate Finance Private Limited at www.sebi.gov.in, www.bseindia.com and www.indianivesh.in respectively.



PACIFIC INDUSTRIES LIMITED

Our Company was incorporated as ‘Pacific Granites Limited’ on July 13, 1989 under the Companies Act, 1956.

Subsequently, the name of our Company was changed to ‘Pacific Industries Limited’ with effect from November 25, 1994.

Registered Office: Survey No. 13, National Highway 48, Kempalinganahalli Village, Nelamangala Taluk, Bangalore (R) 562123 Karnataka

Corporate Office: Village Sapetia, Brahmano Ka Guda, Bedla, Udaipur 313004, Rajasthan

Tel: +91-294-2440196/2440388/2440933/2440934; **Fax:** +91-294-2440780 (Udaipur)

Tel: 080 7723004 / 7725974; **Fax:** 080 7723005; (Bangalore)

Contact Person: Mr. Sachin Shah, Company Secretary and Compliance Officer;

Email: pilnorth@pacificgranites.com; pacificind@rediffmail.com; pilnorth@pacificgranites.com; pacificinvestor@rediffmail.com

Website: www.pacificindustriestd.com; **Corporate Identity Number:** L14101KA1989PLC062041

PROMOTERS OF OUR COMPANY

MR. JAGDISH PRASAD AGARWAL, MRS. GEETA DEVI AGARWAL AND MR. KAPIL AGARWAL

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF 20,94,825 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE “EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ 119 (INCLUDING SHARE PREMIUM OF ₹ 109) PER EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT OF ₹ 24,92,84,175 (RUPEES TWENTY FOUR CRORE NINETY TWO LAKHS EIGHTY FOUR THOUSAND ONE HUNDRED SEVENTY FIVE) TO THE ELIGIBLE EQUITY SHAREHOLDERS ON RIGHTS BASIS IN THE RATIO OF 155 EQUITY SHARE FOR EVERY 100 FULLY PAID UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E. JULY 26, 2019 (THE “ISSUE”). FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” BEGINNING ON PAGE 195 OF THE LETTER OF OFFER

The existing Equity Shares of our Company are listed on the BSE Limited (“BSE”), (the “Stock Exchange”). Our Company has received “in-principle” approval from BSE for listing the Rights Equity Shares through their letter dated May 16, 2019. For the purposes of the Issue, the Designated Stock Exchange is the BSE.

Procedure: If you wish to know about processes and procedures applicable to rights issues, you may refer to the section titled “Terms of the Issue” Beginning on Page 195 of the Letter of Offer, which can be downloaded from the websites of SEBI, BSE and the Lead Manager to the Issue. You can also request the Lead Manager to the Issue or the Stock Exchange to provide a hard copy of Letter of Offer. Please note that in terms of Regulation 61(3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Lead Manager and the Stock Exchange may charge a reasonable amount for providing hard copy of the Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is eligible to undertake the Issue in terms of Chapter III and to make disclosure as per clause (5) Part B of Schedule VI of the SEBI ICDR Regulations.

Whether the Company is compulsorily required to allot at least 75% of the net offer to public, qualified institutional buyers – Not Applicable, being a rights issue of equity shares.

INDICATIVE TIMETABLE

Issue Opening Date	August 5, 2019	Date of Allotment (on or about)	August 30, 2019
Last date for receiving requests for Split Application Forms (SAFs)	August 12, 2019	Date of Credit (on or about)	September 4, 2019
Issue Closing Date	August 19, 2019	Date of Listing (on or about)	September 5, 2019

The above time table is indicative and does not constitute any obligation on our Company or the Lead Manager.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the issue have not been recommended or approved by the Securities and Exchange Board of India, (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. **Investors are advised to refer to the section titled “Risk Factors” beginning on Page No. 16 of the Letter of offer and on Page No. 5 of this Abridged Letter of Offer, before making an investment in this Issue.**

GENERAL INFORMATION

Name of Lead Manager and contact details	IndiaNivesh Corporate Finance Private Limited 1706, 17th Floor, Lodha Supremus, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013 Tel: +91-22- 62406240 Fax: +91-22- 62046241 E-mail: icfpl@indianivesh.in Website: www.indianivesh.in Contact Person: Mr. Jinesh Doshi CIN No.: U67190MH2016PTC287247 SEBI Registration No.: INM000012403
Name of Registrar to the Issue and contact details	LINK INTIME INDIA PRIVATE LIMITED C 101, 1st Floor, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. Tel: +91 22 49186200 Fax: +91 22 49186195 Email: pacific.rights@linkintime.co.in Investor grievance email: pacific.rights@linkintime.co.in Contact Person: Mr. Sumeet Deshpande Website: www.linkintime.co.in CIN No.: U67190MH1999PTC118368 SEBI Registration No.: INR000004058
Name of Statutory Auditor	Ravi Sharma & Co. Chartered Accountants
Self Certified Syndicate Banks	The list of self - certified syndicate banks is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link.
Banker to the Issue and Refund Banker	HDFC Bank Limited FIG-OPS Department-Lodha, I Think Techno Campus, 0-3 Level, Kanjurmarg (East), Mumbai 400 042 Tel: +91 (22) 3075 2927 Fax: +91 (22) 2579 9801
Non Syndicate Registered Brokers	Not Applicable, being a rights issue
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	Not Applicable, being a rights issue

BUSINESS OVERVIEW AND STRATEGY

We are engaged in production and export of Polished Granite Slabs, cut-to-size polished granite tiles and polished natural stones. In the year 1989 our Company was established as a 100% export oriented unit by eminent industrialist Mr. J.P. Agrawal and today we are one of the leading quarry owners and processors of natural stones. With products like slabs, tiles, cut to size, we are enjoying our presence in over 40 countries. With our two processing units each at Bangalore and Udaipur we make sure that our customers have access to all the Indian colours at attractive prices.

We make sustainable efforts to provide elegant and durable varieties of stones across the world. We are working with a professional team who establishes and maintain to deliver the highest-quality products and warmest customer service. Keeping innovation in mind we have processed innovative materials and finishes based on the most fierce market competition.

BOARD OF DIRECTORS			
Sl. No	Name	Designation	Experience
1.	Mr. Jagdish Prasad Agarwal	Managing Director	Mr. J. P. Agarwal, 61 years, one of the promoter Director, is a Chairman & Managing Director of the Company looking after overall affairs of the Company. He surveyed market potential in 1988-89 in various countries like Singapore, Hong Kong, Italy, UAE, France, Germany, China and Switzerland. He also attended International Trade Fair at Carara in Italy and studied various granite processing units at Italy and China during his visits. He observed huge export potential of the Granite and idea of setting up the unit crystallized. Prior to this, he was engaged in the business of survey, construction, drilling, development of tube wells, RCC overhead water tanks in the state of Rajasthan & Madhya Pradesh. He had graduated in commerce faculty in 1978 from University of Rajasthan and passed C.A. (Inter) in 1982. During his practical training in a leading Chartered Accountant firm in Mumbai he assisted in consultancy to entrepreneurs and their financial management.
2.	Mr. Kapil Agarwal	Director & Chief Financial Officer	Mr. Kapil Agarwal is the Executive Director and Chief financial officer. He has joined the Company in 2005 after completion of his studied in business administration from Western Michigan University, USA. He has taken overall charge of the Bangalore unit and has bagged export orders thereby increasing the customer base of the company resulting export growth.
3.	Mrs. Geetadevi Agarwal	Non Executive Director	She has an experience in Business management.
4.	Mr. Vinod Choudhary	Non Executive Independent Director	He is a Commerce Graduate and possesses appropriate skills, experience and knowledge, inter alia, in the field of Finance.
5.	Mr. Vikas Misra	Non Executive Independent Director	Dr. Misra has wide experience of more than 22 years in the field of Mechanical engineering and served various known organization at the position of director. He has done Ph.D. (Mechanical Engineering) from Integral University, Lucknow and M.Tech (Mechanical Engineering) with Specialization in industrial system Engineering from K.N.I.T, Sultanpur.
6.	Mr. Pradeep Kumar Jain	Non Executive Independent Director	Dr. Jain, has wide experience of more than 40 years in the field of Business administration and Management Studies. He was faculty and consultant in various international universities and institutes. He has done Ph.D (International Marketing) from university of Rajasthan in the year 1982.

Our Company has complied with the requirements of Corporate Governance contained in Equity Listing Agreement particularly those relating to composition of Board of Directors, constitution of committees etc. For further details of Directors and Corporate Governance please refer chapter titled “*Our Management*” of Letter of Offer.

OBJECTS OF THE ISSUE

The proceeds of the Issue are proposed to be utilised by us for repayment of unsecured loans availed from the related party (deployed for the purpose of new Quartz project).

Our Company is presently engaged in production and export of polished granite slabs, cut-to-size polished granite tiles, polished marble slabs and polished natural stones. It also trades and export in granite/marble slabs & tiles, rough granite/marble blocks, sand stone, slate stone and all other kinds of stone. Our Company is now venturing into new Quartz project (hereinafter referred to as 'The Project').

The total cost of setting up of the Project is ₹ 5,665.47 lakhs (complete details are covered elsewhere in this Chapter). Our Company has availed the unsecured loan from one of the Related Party for an amount of ₹ 2,500 lakhs for the purpose of deployment of the funds in new Quartz project (hereinafter referred to as the project).

Total Cost of the New Quartz project*

Sr. No.	Particulars	Amount (₹ in lakhs)
1.	Land	267.30
2.	Building, Construction & Site Development	1,265.42
3.	Imported Machinery	3,368.81
4.	Indigenous Machinery & Misc. Fixed Assets	500.00
5.	Provision for Contingencies	107.00
6.	Preliminary & Preoperative expenses	61.94
7.	Interest during project commissioning period	95.00
	TOTAL	5,665.47

* As per Management Estimates

Means of Finance for the Project

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Proceeds from the Issue (loan already obtained to be repaid from the proceeds of the Issue)	Upto 2,500
2.	Secured Loans from Bank	3,000
3.	Internal Accruals*	165.47

* Any increase in project cost shall be met out of surplus available with the company or increased internal accruals

Schedule of Utilisation and Deployment of Funds for the entire Project

Our Company proposes to deploy the funds towards the above stated objects during F.Y. 2018-2019 and 2019-2020, depending upon various factors including the actual timing of the completion of the Issue, the receipt of the Net Proceeds and disbursement of the Sanctioned facilities. In the event that estimated utilization out of the funds in any given Financial year is not completely met, the same shall be utilized in the next financial year. Our Company proposes to deploy the funds as follows;

(₹ in Lakhs)

Sr. No	Particulars	Funds required	Funds already deployed till 18.02.2019*	Funds proposed to be deployed*	
				In FY 2018-19	In FY 2019-20
1.	Payment for land acquisition	267.30	267.30	—	—
2.	Payment for Building, Construction & Site Development	1265.42	984.73	180.69	100
3.	Advance for Imported Machinery	2892.75	309.38	629.90	1953.47
4.	Freight, Insurance for Imported Machinery	476.06	125.63	350.43	—
5.	Payment of Indigenous Machinery & Misc. Fixed Assets	500.00	100.88	299.12	100
6.	Preliminary & Preoperative Expenses	61.94	40.12	21.82	—
7.	Interest during project commissioning period	95	21.96	21.38	51.66
8.	Provision for Contingencies	107	—	76.78	30.22
	TOTAL	5,665.47	1,850.00	1580.12	2235.35

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable.

Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable, being an issue of equity shares

SHAREHOLDING PATTERN AS ON DECEMBER 31, 2018			
Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter & Promoter Group	5,95,202	44.04%
2.	Public	7,56,298	55.96%
	Total	13,51,500	100.00%

Number/ amount of Equity Shares proposed to be sold by selling shareholders - Not Applicable, being a rights issue.

FINANCIAL INFORMATION

Limited review/Audited Financial

(₹ in Lakhs)

Particulars	For the nine month ended December 31, 2018 (Ind AS) Standalone	For the Fiscal Year (Consolidated)	
		2018 (Ind AS)	2017 (Ind AS)
Share Capital	135.15	135.15	135.15
Net Worth	6445.19	31495.62	31517.88
Total Income	7007.67	7425.16	10270.40
Profit / (loss) after tax	98.78	35.22	52.95
Basic and Diluted EPS (in ₹)	7.31	2.61	3.92
Net asset value per share (in ₹)	477.07	2330.42	2332.07
Total borrowings	7011.54	4020.49	3606.82

For further details, see "Financial Information" and "Other Financial Information" on pages 227 and 658, respectively of LOF.

INTERNAL RISK FACTORS – Top 10 risk factors as per the Letter of Offer

1. Our Company is a party to certain litigations, the outcome of which could adversely affect our business operations and Financial condition.
2. Our Directors and Promoters are party to certain litigations, the outcome of which could adversely affect the reputation of the Company.
3. Our Company had voluntarily applied to the Board for Industrial and Financial Reconstruction (BIFR) for being categorised as sick on 16.02.2000 which got rejected and then once again applied on 22.02.2002.
4. Our Company has made renewal applications to operate under section 25-26 of the Water (Prevention and Control of Pollution) Act, 1974 and under section 21 of the Air (Prevention and Control of Pollution) Act, 1974 for its factory at Udaipur, Rajasthan.
5. Our Company has purchased an agricultural freehold land for the Quartz Project from one of the Promoter Director.
6. We are yet to obtain approvals for conversion of land into Industrial Land from concerned regulatory authority and certain other consents and acknowledgements from various regulatory authorities in relation to setting up of new Quartz Project. If there are delays or cost overruns in securing the requisite consents, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.
7. Our Company has one land held in the name of Past Director.
8. Our Company is 100% Export Oriented Undertaking (EOU) and substantial part of our revenue is generated from exports. The varying duties imposed by the export destination countries and/or our inability to sustain current levels of export business may adversely affect our business, results of operations and Financial condition.
9. Our export revenues are concentrated in the U.S., European Union, Middle east, Vietnam, Indonesia etc and Economic slowdown, adverse geopolitical factors and other factors that affect these regions may in turn affect our business.
10. We have certain contingent liabilities, and our cash flows, financial conditions and profitability may be adversely affected if any of these contingent liabilities materialise.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against our Company and amount involved

A summary of material legal proceedings involving our Company is given in the following table:

(₹ In Lakhs)

Sr. no.	Nature of Outstanding Litigation Category	Total no of cases	Amount involved
1	Civil	1	Unascertainable
2	Labour	1	Unascertainable
3	Indirect Tax	1	2.76

B. Brief details of top 5 material outstanding litigations against our Company and amount involved

(₹ In Lakhs)

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1.	The Company received a notice dated 16.01.2018 from the Hon'ble First Additional and Sessions Judge Court, Bangalore Rural Districts, Bangalore wherein the Company was informed that a case has been filled before the Hon'ble First Additional and Sessions Judge Court, Bangalore Rural Districts, Bangalore by Mr. T. N. Narasimharaju, a former workman of the Company, challenging his dismissal by the Company on grounds of willful damage, harassment etc.	Mr. T.N. Narasimharaju	The matter is pending for adjudication	—
2.	Sales Tax case Outstanding demand due to non-receipt of C-form by the Company	Tax Department, Government of Rajasthan	The matter is pending for adjudication	2.76
3.	The matter is pending before the Hon'ble Rajasthan High Court in the year 2001, however, the same has not been registered. Accordingly, no information regarding the case has been received by the Company from the Hon'ble Rajasthan High Court and at present, the Company is in process of gathering information regarding the said matter.	Union of India	The matter is pending for registration.	—

ANY OTHER IMPORTANT INFORMATION

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to Eligible Shareholders in the ratio of 155 Rights Equity Share for every 100 fully paid-up Equity Shares held on the Record Date.

Terms of Payment

Full amount of ₹119 per Rights Equity Share is payable on application.

Fractional Entitlements

Fractional entitlement if any will be rounded off to the next higher integer and the shares required for the same will be adjusted from promoter's entitlement in the rights issue.

Listing and trading of Equity Shares proposed to be issued

Our existing Equity Shares are currently listed and traded on BSE under the ISIN INE883C01025. The fully paid-up Rights Equity Shares proposed to be issued pursuant to the Issue shall, in terms of SEBI Circular No. CIR/MRD/DP/21/2012 dated August 2, 2012, be Allotted under a temporary ISIN shall be frozen till the time final listing/ trading approval is granted by the Stock Exchange. Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading. Our Company has received in-principle approval from BSE by way of a letter no. DCS/RIGHT/PB/FIP/097/2019-20 dated May 16, 2019.

Procedure for Application : The CAF for the Rights Equity Shares offered as part of the Issue would be printed in black ink for all Eligible Equity Shareholders. The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. In case the original CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and address. In case the signature of the Equity Shareholder(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit. Equity Shareholders should note that those who are making the application in such duplicate CAF should not utilise the original CAF for any purpose, including renunciation, even if the original CAF is received or found subsequently. If any Equity Shareholder violates any of these requirements, he/she shall face the risk of rejection of both applications.

Please note that in accordance with the provisions of SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs or Non-Institutional Investors must mandatorily make use of ASBA facility.

Please note that QIB Applicants, Non-Institutional Investors (including all companies and body corporates) and other Applicants whose application amount exceeds ₹ 2 lakhs can participate in the Issue only through the ASBA process. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) Investors whose application amount is not more than ₹ 2 lakhs, can participate in the Issue either through the ASBA process or the non-ASBA process. Renounees and Eligible Equity Shareholders holding Equity Shares in physical form are not eligible ASBA Investors and must apply for Equity Shares only through the Non-ASBA process.

Please also note that by virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Eligible Equity Shareholder being an OCB is required to obtain prior approval from RBI for applying to the Issue.

No Offer in the United States

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed CAF should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Application on Plain Paper (Non - ASBA)

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with demand draft, net of bank and postal charges payable at Mumbai which should be drawn in favour of the "Pacific Industries Limited– Rights Issue – R" in case of the resident shareholders and non-resident

shareholders applying on non-repatriable basis and in favour of the “Paciûc Industries Limited – Rights Issue – NR” in case of the non-resident shareholders applying on repatriable basis and send the same by registered/speed post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date.

The envelope should be superscribed “Paciûc Industries Limited – Rights Issue – R” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “Paciûc Industries Limited – Rights Issue – NR” in case of non-resident shareholders applying on repatriable basis.

The application on plain paper, duly signed by the Investors including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Paciûc Industries Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount paid at the rate of ₹119/- per Rights Equity Share;
- Particulars of cheque/demand draft;
- Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form (Rights Equity Shares will be allotted in physical form only if the Equity Shares held on the Record Date are in the physical form);
- Allotment option preferred - physical or demat form, if held in physical form;
- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records or the Depositories’ records
- In case of Non-Resident Equity Shareholders, NRE/FCNR/NRO A/c No. name and address of the bank and branch;

If payment is made by a draft purchased from an NRE/FCNR/NRO A/c No., as the case may be, an Account debit certificate from the bank issuing the draft, confirming that the draft has been issued by debiting NRE/FCNR/NRO A/c.

Application on Plain Paper under the ASBA process

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Equity Shareholder shall submit the plain paper application to the Designated Branch of SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper from any address outside India will not be accepted.

The envelope should be superscribed “Pacific Industries Limited– Rights Issue – R” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “Pacific Industries Limited– Rights Issue – NR” in case of non-resident shareholders applying on repatriable basis and should be postmarked in India. The application on plain paper, duly signed by the Investors including joint holders, in the same order as per the specimen recorded with our Company, must reach the SCSBs before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Pacific Industries Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/DP and Client ID no.;

- Number of Equity Shares held as on Record Date;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for;
- Total amount to be blocked at the rate of ₹ 119/- per Rights Equity Share;
- Except for applications on behalf of the Central or State Government and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Signature of the Shareholders to appear in the same sequence and order as they appear in our records or depositories records

Additionally, all such applicants applying on plain paper have accepted the following:

"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") or to, or for the account or benefit of a "U.S. Person" as defined in Regulation S under the US Securities Act ("Regulation S"). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/we understand that none of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement and/or the Rights Equity Shares is/are, outside the United States, (ii) am/are not a "U.S. Person" as defined in Regulation S, and (iii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilise the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon and no liability shall arise on part of our Company, Lead Manager and its Directors.

Please note in accordance with the provisions of SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011, all applicants who are (i) QIBs, (ii) Non-Institutional Investors or (iii) other applicants whose application amount exceeds ₹ 2 lakhs shall mandatorily make use of ASBA facility. All QIBs and Non-Institutional Investors, complying with the eligibility conditions of SEBI circular dated December 30, 2009, must mandatorily invest through the ASBA process. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors, or (iii) investors whose application amount is less than ₹ 2 lakhs can participate in the Issue either through the ASBA process or the non ASBA process. Notwithstanding anything contained hereinabove, all Renounees (including Renounees who are Individuals) shall apply in the Issue only through the non-ASBA process.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered to you without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under “Offering Information” of the Letter of Offer.

Renunciation

This Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not Allot and/or register any Equity Shares in favour of the following Renounees: (i) more than three persons (including joint holders), (ii) partnership firm(s) or their nominee(s), (iii) minors (except applications by minors having valid demat accounts as per the demographic details provided by the Depositors), (iv) HUF (however, you may renounce your Rights Entitlements to the Karta of an HUF acting in his capacity of Karta), or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorised under its constitutions or bye-laws to hold equity shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favour of persons or entities which would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities or other laws. Equity Shareholders may also not renounce in favour of persons or entities in the United States or to the account or benefit of a U.S. person (as defined in Regulation S) or to who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

Procedure for renunciation

To renounce all the Equity Shares offered to an Eligible Equity Shareholder in favour of one Renounee

If you wish to renounce the offer indicated in Part ‘A’, in whole, please complete Part ‘B’ of the CAF. In case of joint holding, all joint holders must sign Part ‘B’ of the CAF in the same order. The person in whose favour renunciation has been made should complete and sign Part ‘C’ of the CAF. In case of joint Renounees, all joint Renounees must sign Part ‘C’ of the CAF.

To renounce in part or the whole to more than one person(s)

If you wish to either (i) accept this offer in part and renounce the balance, or (ii) renounce the entire offer under this Issue in favour of two or more Renounees, the CAF must be first split into requisite number of forms. Please indicate your requirement of SAFs in the space provided for this purpose in Part ‘D’ of the CAF and return the entire CAF to the Registrar so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs as provided herein. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Eligible Equity Shareholder(s), who has renounced the Equity Shares, does not match with the specimen registered with our Company or the Depositories, the application is liable to be rejected.

Renounee(s): The person(s) in whose favour the Equity Shares are renounced should fill in and sign Part ‘C’ of the CAF and submit the entire CAF to the Bankers to the Issue or any of the collection branches as mentioned on the reverse of the CAFs on or before the Issue Closing Date along with the application money in full.

Change and/or introduction of additional holders: If you wish to apply for Equity Shares jointly with any other person(s), not more than three including you, who is or are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that our Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renounee(s) without assigning any reason thereof.

Renunciation under the ASBA Process: **ASBA Investors can neither be Renounees, nor can renounce their Rights Entitlement.**

Additional Equity Shares: You are eligible to apply for additional Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Equity Shares offered to you without renouncing them in whole or in part in favour of any other person(s). Applications for additional Equity Shares shall be considered and Allotment shall be made at the sole discretion of our Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section “*Terms of the Issue - Basis of Allotment*” beginning on page 222 of the Letter of Offer.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. Renounee(s) applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares by indicating details of additional Equity Shares applied in place provided for additional Equity Shares in Part C of CAF.

Under the foreign exchange regulations currently in force in India, transfers of shares between Non-Residents and residents are permitted subject to compliance with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or certain other conditions, then the prior approval of the RBI will be required.

Where the number of additional Equity Shares applied for exceeds the number of Equity Shares available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Intention of our Promoters and Promoter Group to subscribe to their rights entitlement

Our Promoter(s) and entities forming part of our Promoter Group have, vide their letters dated February 27, 2019 (the 'Subscription Letters') indicated their intention to (a) subscribe, to the full extent of their Rights Entitlement or subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly, with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to any unsubscribed portion (if any) in the Issue, in compliance with Regulation 10(4) of the Takeover Regulations and the applicable law. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) shall be exempt in terms of Regulation 10(4)(b) of the Takeover Regulations subject to fulfilment of conditions mentioned therein and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Ex-rights Price

The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ 119.39.

DECLARATION BY THE COMPANY

We certify that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act and the rules made thereunder or regulations issued thereunder, as the case maybe. We further certify that, all the legal requirements connected with the said Issue as also the regulations, guidelines, instructions, etc. issued by SEBI, Government of India and any other competent authority in this behalf have been duly complied with.

We hereby certify that all disclosures made in the Letter of Offer are true and correct.

Place : Udaipur

Date : July 16, 2019

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