

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s) of **Lykis Limited (formerly Greenline Tea & Exports Limited)**. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

KEDIA SECURITIES PVT LTD (“KSPL” / “ACQUIRER”)

Regd. Office: 240, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400 053.
Tel No.: 022 – 6702 0857 / 58; Fax No.: 022 – 6702 0859. E-mail ID: info@ksplindia.com

TO

Acquire upto 47,85,861 (Forty Seven Lacs Eighty Five Thousand Eight Hundred & Sixty One) Equity Shares of the face value of Rs. 10/- each, constituting 26.00% of the voting capital of the Target Company on a fully diluted basis of

LYKIS LIMITED (“LYKIS” / “TARGET COMPANY”)

(Formerly Greenline Tea & Exports Limited)

Regd. Office: 14, N. S. Road, Sathi Chamber, 3rd Floor, Room No. 314B, Kolkata, West Bengal – 700 001.
Telefax No.: 033 – 2262 5265; Email ID: lykisho@lykisgroup.com

At a price of Rs. 40/- (Rupees Forty Only) per fully paid-up Equity Share (the “Offer Price”), payable in Cash.

- 1) This Voluntary Offer is being made by the Acquirer pursuant to Regulations 3(1) and all other applicable provisions of the SEBI (SAST) Regulations, 2011 and subsequent amendments thereto ('Regulations').
- 2) The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 3) As on the date of this Letter of Offer, there are no statutory approvals required to implement this Offer. However the Offer shall be subject to all the statutory approvals that may become applicable on a later date.
- 4) The Shareholders who have tendered shares in acceptance of the Open Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement / Letter of Offer, shall not be entitled to withdraw such acceptance.
- 5) Upward revision, if any, in the Offer Price and/or Offer Size by the Acquirer upto 3 (Three) working days prior to the commencement of the Tendering Period, i.e. up to April 21, 2015, or in the case of withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the original Detailed Public Statement in relation to this Offer had appeared. Such revised Offer Price would be payable for all the Shares validly tendered anytime during the period that the Offer is open and accepted under the Offer.
- 6) **If there are competing offers, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirer / Target Company, no competitive bid has been announced as of date of this Letter of Offer.**
- 7) A copy of Public Announcement, Detailed Public Statement, Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI's web-site: www.sebi.gov.in.
- 8) All correspondence relating to this Offer, if any, should be addressed to the Registrar to the Offer, viz. R & D Infotech Pvt Ltd.

MANAGER TO THE OFFER



Aryaman Financial Services Limited
(CIN No.: L74899DL1994PLC059009)
60, Khatau Building, Alkesh Dinesh Modi Marg,
Opp. P J Towers (BSE Building), Fort,
Mumbai – 400 001. Tel: 022 – 2261 8264 / 2261 8635;
Fax: 022 – 2263 0434 Email: info@afsl.co.in;
Contact Person: **Mr. Deepak Biyani**

OFFER OPENS ON: APRIL 27, 2015

REGISTRAR TO THE OFFER



R & D Infotech Private Limited
(CIN No.: U72200WB1997PTC084977)
7A, Beltala Road, 1st Floor, Kolkata – 700 026.
Telefax No.: 033 – 2419 2641 / 42;
E-mail ID: rd.infotech@vsnl.net
Contact Person: **Mr. Ratan Mishra**

OFFER CLOSSES ON: MAY 12, 2015

SCHEDULE OF MAJOR ACTIVITIES

| Major Activities | Day & Date |
|--|---------------------------|
| Public Announcement | Friday, February 27, 2015 |
| Publication of Detail Public Statement | Monday, March 09, 2015 |
| Filing of Draft Letter of Offer with SEBI | Monday, March 16, 2015 |
| Last Date for a Competitive Bid* | Monday, March 30, 2015 |
| Receipt of Comments from SEBI on Draft Letter of Offer | Wednesday, April 08, 2015 |
| Identified Date** | Friday, April 10, 2015 |
| Date by which Letter of Offer be posted to the Shareholder | Monday, April 20, 2015 |
| Last Day of Revision of Offer Price / Share | Tuesday, April 21, 2015 |
| Comments on the Offer by a Committee of Independent Directors constituted by the BoDs of the Target Company | Wednesday, April 22, 2015 |
| Issue of advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers | Friday, April 24, 2015 |
| Date of Opening of the Offer | Monday, April 27, 2015 |
| Date of Closing of the Offer | Tuesday, May 12, 2015 |
| Date of communicating the rejection / acceptance and payment of consideration for the acquired share | Tuesday, May 26, 2015 |

*There has been no competing offer as of the date of this Letter of Offer.

**Identified Date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent. All owner (registered or unregistered) of Equity Shares of the Target Company (except Acquirer, persons deemed to be acting in concert with Acquirer and existing Promoters / Promoter Group of the Target Company) are eligible to participate in the offer anytime before the Closure of the Offer.

RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirer:

1) Relating to transaction – Not Applicable

2) Relating to the Offer

- a) As on the date of this Letter of Offer, no statutory approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date. While the Acquirer shall make the necessary applications for such approvals, in case of delay in receipt of any such statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for delay beyond 10 (Ten) Working Days from the date of closure of the Tendering Period, at such rate as may be specified by SEBI. Accordingly, in case of delay in receipt of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Shares are validly accepted in this Offer, as well as the return of Shares not validly accepted in this Offer, may be delayed. Where the statutory approvals extend to some but not all the Public Shareholders, the Acquirer will have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- b) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- c) Shareholders should note that the Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the tendering period even if the

acceptance of Equity Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held in trust by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed. During such period, there may be fluctuations in the market price of the Equity Shares and the Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer, thereby restricting the ability of such Public Shareholders to take advantage of any favorable price movements.

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

3) Relating to Acquirer

- a) The Acquirer makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- b) The Acquirer makes no assurance with respect to their investment / disinvestment decisions relating to their shareholding in the Target Company.
- c) The Acquirer does not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
- d) The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement (PA) / Detailed Public Statement (DPS) / Letter of Offer (LoF) and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his / her / its own risk.
- e) The Acquirer does not accept the responsibility with respect to the information contained in PA or DPS or LoF that pertains to the Target Company and has been compiled from publicly available resources.

The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for further risks with respect to each such Shareholder's participation in the Offer and related sale and transfer of Equity Shares of the Target Company to the Acquirer.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to "Rs." are to the reference of Indian National Rupees ("INR"). Throughout this Letter of Offer, all figures have been expressed in "Lac" unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

TABLE OF CONTENTS

| Sr. No. | Particulars | Page No. |
|---------|--|----------|
| 1 | Abbreviations / Definitions | 04 |
| 2 | Disclaimer Clause | 06 |
| 3 | Details of the Offer | 06 |
| 4 | Background of the Acquirer | 08 |
| 5 | Background of the Target Company | 11 |
| 6 | Offer Price and Financial Arrangements | 14 |
| 7 | Terms and Conditions of the Offer | 18 |
| 8 | Procedure for Acceptance and Settlement of the Offer | 19 |
| 9 | Documents for Inspection | 21 |
| 10 | Declaration by the Acquirer | 22 |

1. ABBREVIATIONS / DEFINITIONS

| Term / Abbreviation | Description |
|--|--|
| Acquirer | Kedia Securities Pvt Ltd ("KSPL") |
| ASE | Ahmedabad Stock Exchange Limited, Ahmedabad |
| Board | The Board of Directors of the Target Company. |
| BSE | BSE Limited, Mumbai |
| CDSL | Central Depository Services (India) Limited |
| Companies Act | The Companies Act, 1956 / 2013, as amended and as applicable. |
| CSE | Calcutta Stock Exchange Limited, Kolkata |
| DP | Depository Participant |
| DPS / Detailed Public Statement | Detailed Public Statement which appeared in the newspaper on March 09, 2015 issued by the Manager to the Offer, on behalf of the Acquirer. |
| Eligible Persons to participate in the Offer | owner (registered or unregistered) of Equity Shares of the Target Company (except Acquirer, persons deemed to be acting in concert with Acquirer and existing Promoters / Promoter Group of the Target Company) are eligible to participate in the offer anytime before the Closure of the Offer |
| FEMA | Foreign Exchange Management Act, 1999 including rules and regulations formulated thereunder. |
| FII | Foreign Institutional Investors |
| Form of Acceptance | The form of application cum acknowledgement and authority, which is enclosed with this Letter of Offer |
| Identified Date | April 10, 2015 (Friday) |
| IFSC | Indian Financial System Code |
| Income Tax Act | Income Tax Act, 1961, as amended from time to time |
| JSE | Jaipur Stock Exchange Limited, Jaipur |
| LoF / Letter of Offer | This Letter of Offer |
| Manager / Manager to the Offer / AFSL | Aryaman Financial Services Limited, Mumbai |
| MICR | Magnetic Ink Character Recognition |
| MSE | Madras Stock Exchange Limited, Chennai |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Funds Transfer |
| NSE | The National Stock Exchange of India Limited |
| NSDL | National Securities Depository Limited |
| NRI(s) | Non – Resident Indians |
| OCB(s) | Overseas Corporate Bodies |
| Offer Size | Open Offer for acquisition of 47,85,861 (Forty Seven Lacs Eighty Five Thousand Eight Hundred & Sixty One) equity shares of face value of Rs.10/- (Rupees Ten Only) constituting 26.00% of the voting capital of the Target Company on a fully diluted basis, as of the 10 th (tenth) working day from the closure of the Tendering Period, at a price of Rs. 40/- (Rupees Forty Only) per fully paid up equity share payable in cash. |
| Offer Period | Period between the date of the public announcement and the date on which the payment of consideration to shareholders who have accepted the open offer is made i.e. period from February 07, 2015 to May 26, 2015, or the date on which open offer is withdrawn, as the case may be. |
| Offer Price | Rs. 40/- (Rupees Forty Only) per share for each fully paid-up equity Shares payable in cash. |
| PA / Public Announcement | The Public Announcement in connection with the Open Offer dated February 07, 2015 issued by the Manager to the Offer on behalf of the Acquirer, in relation to this Open Offer and as filed with the Stock Exchanges, SEBI & Target Company. |

| | |
|--|--|
| RBI | Reserve Bank of India |
| Registrar / Registrar to the Offer | R & D Infotech Pvt. Ltd., an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time. |
| Rs. / INR | Indian Rupees, the legal currency of India |
| RTGS | Real Time Gross Settlement |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI (SAST) Regulations, 2011 / Regulations / Reg. | Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof. |
| SEBI (SAST) Regulations, 1997. | Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereof. |
| Share (s) | Fully paid up equity Share of Lykis Limited, having face value of Rs. 10/- each. |
| Shareholders | Shareholders of Lykis Limited |
| Special Depository Account | A special depository account named "Lykis Limited Open Offer Operated by RTA R and D Infotech Escrow A/c" opened with CDSL |
| Target Company / LYKIS | Lykis Limited, Mumbai |
| Tendering Period | Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer i.e. the period between and including April 27, 2015 to May 12, 2015. |
| Working Day | Any working day of SEBI, Mumbai |

Note: All capitalized terms used in this Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI (SAST) Regulations.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LOF HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF LYKIS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER ARYAMAN FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 14, 2015 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1 BACKGROUND OF THE OFFER

- 3.1.1 There is no acquisition of Shares which has triggered this Open Offer. This voluntary Offer is being made by the Acquirer, for consolidation of holdings of the Promoters/Promoter Group and is made in terms of Regulations 3(1) of the SEBI (SAST) Regulations 2011. This Open Offer does not result in any change of control of the Target Company. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 3.1.2 There are no person(s) acting in concert with the Acquirer in this Open Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 3.1.3 As on the date of the PA and this Letter of Offer, the Acquirer is holding 13,33,335 Equity Shares constituting 7.24% of the voting Equity Share Capital of the Target Company on a fully diluted basis. Other than the Acquirer, the present Promoter viz. Mr. Vijay Kedia is holding 32,34,383 Equity Shares constituting 17.57% of the voting Equity Share Capital of the Target Company on a fully diluted basis. As on date of the PA & this Letter of Offer, the Promoter Group collectively hold 45,67,718 Equity Shares of constituting 24.81% of the voting Equity Share Capital of the Target Company on a fully diluted basis. The Acquirer undertakes that it will not sell the Equity Shares, if any, during the Open Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 3.1.4 Neither Acquirer nor any of its Promoters or Directors has entered into any non-compete arrangement and/or agreement with anyone with respect to the operation of Target Company.
- 3.1.5 Neither Acquirer nor any of its Promoters or Directors has been prohibited by Securities Exchange Board of India (SEBI) from dealing in securities, in terms of directions issued under section 11B of SEBI Act, 1992 (as amended) or any other regulations made thereunder.
- 3.1.6 This Offer will not result in a change in control. The Acquirer does not propose to make changes in the Board of Directors of the Target Company after the completion of the Offer except in the ordinary course of business.
- 3.1.7 As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations 2011, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Offer was published. A copy whereof shall be sent to SEBI, Stock Exchanges and Manager to the Offer and in case of a competing offers to the Managers to the Open Offer for every competing offer.

3.2 DETAILS OF THE PROPOSED OFFER

- 3.2.1 In accordance with the Regulation 14(3) and pursuant to Regulations 3(1) of SEBI (SAST) Regulation, the Acquirer has made a Detailed Public Statement on March 09, 2015 pursuant to Public Announcement dated February 27, 2015 in the following newspapers:

| | |
|--|-----------------|
| The Financial Express (English National Daily) | All Editions |
| Jansatta (Hindi National Daily) | All Editions |
| Navshakti (Marathi Regional Daily) | Mumbai Edition |
| Ek Din (Bengali Regional Daily) | Kolkata Edition |

A Copy of the Public Announcement & Detailed Public Statement is also available on the SEBI's website: www.sebi.gov.in

- 3.2.2 The Acquirer hereby makes this voluntary Offer to the existing shareholders to acquire up to 47,85,861 (Forty Seven Lacs Eighty Five Thousand Eight Hundred & Sixty One) equity shares of face value of Rs.10/- (Rupees ten only) constituting 26.00% of the voting capital of the Target Company on a fully diluted basis, as of the 10th (tenth) working day from the closure of the Tendering Period ("**Offer Size**") at a price of Rs. 40/- (Rupees Forty Only) per fully paid up equity share payable in cash, subject to the terms and conditions set out in the Public Announcement, the Detailed Public Statement and this Letter of Offer.
- 3.2.3 The Equity Shares of the Target Company are listed on BSE Ltd ("BSE"), Ahmedabad Stock Exchange Ltd ("ASE"), Calcutta Stock Exchange Ltd ("CSE"), Jaipur Stock Exchange Ltd ("JSE") and Madras Stock Exchange Ltd ("MSE"). Assuming full acceptance of shares under the Open Offer, the public shareholding in the Target Company would not reduce to less than the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and Listing Agreement. Hence, the provisions of Regulation 7(4) of the Regulations are not applicable.
- 3.2.4 This Open Offer is made under SEBI (SAST) Regulations, 2011 to all the shareholders of the Target Company, in term of the Regulation 7(6) of the Regulations, other than the Acquirer, persons deemed to be acting in concert with Acquirer and existing Promoters / Promoter Group of the Target Company.
- 3.2.5 This Open Offer is not a conditional Offer and not subject to any minimum level of acceptance. The Acquirer will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer upto a maximum of 47,85,861 (Forty Seven Lacs Eighty Five Thousand Eight Hundred & Sixty One) Equity Shares constituting 26.00% of the voting Equity Share Capital of the Target Company.
- 3.2.6 This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company. Further there is no competitive bid in this Offer as on the date of this Letter of Offer.
- 3.2.7 As on date of this Letter of Offer, all the equity shares of the Target Company are fully paid up and there are no partly paid up equity shares in the Target Company. There are no outstanding convertible instruments (debentures/warrants/FCDs/PCDs) etc. into equity shares on any later date.
- 3.2.8 Neither the Acquirer nor any of its Promoters or Directors have acquired any Equity Shares of the Target Company during the 52 (Fifty Two) weeks immediately preceding the date of the Public Announcement and upto the date of this Letter of Offer.
- 3.2.9 There is no agreement amongst the Acquirer and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other persons / entities propose to participate in the acquisition.
- 3.2.10 There are no 'Persons Acting in Concert' within the meaning of Regulation 2(1)(q)(1) of the Regulations in relation to this Open Offer. Due to the applicability of Regulation 2(1)(q)(2) of the Regulations, there could be certain entities deemed to be Persons Acting in Concert with the Acquirer.
- 3.2.11 The Manager to the Offer, Aryaman Financial Services Limited does not hold any equity shares in the Target Company as on the date of the Public Announcement and this Letter of Offer. The

Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period.

3.3 OBJECT OF THE ACQUISITION / THE OFFER

- 3.3.1 The main object of the acquisition is substantial acquisition of Shares / Voting Rights and consolidation of existing holding of the Promoter / Promoter Group in the Target Company.
- 3.3.2 At present, the Acquirer does not have any plans to make major change to the existing line of business of the Target Company except in the ordinary course of business. The Acquirer would support the existing business of the Target Company.
- 3.3.3 The Acquirer do not have any plans to alienate any significant assets of the Target Company or any of its subsidiaries whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of Postal Ballot in terms of Regulation 25(2) of the Regulations.

4. BACKGROUND OF THE ACQUIRER – KEDIA SECURITIES PVT LTD (“KSPL”)

- 4.1 The Acquirer was incorporated on June 18, 1992 under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra, as a private limited company. The name of the Acquirer has not changed since incorporation. The registered office of the Acquirer is situated at 240, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400 053. The Corporate identification Number (CIN) of the Acquirer is U70102MH1992PTC067281.
- 4.2 The main object of the Acquirer is (1) to invest in, acquire, subscribe, hold, underwrite, sale, purchase or otherwise deal in shares, stocks, debenture stocks, bonds, units, negotiable instruments, obligations, mortgages and securities of any kind issued, guarantee or managed by any company, Government, public body, etc. and (2) to carry on business of and act as promoters, organizers and developers of lands, estates, properties, cooperative housing societies, associations, housing schemes, shopping-office complexes, township, farms, etc.
- 4.3 The authorized share capital of the Company is Rs. 3,00,00,000/- (Rupees Three Crores only) divided into 10,50,000 Equity Shares of Rs.10/- each and 19,500 Equity Shares of Rs. 1000/- each. As on date, the issued, subscribed and paid-up capital of the Company is Rs. 50,70,000/- (Rupees Fifty Lacs Seventy Thousand Only) divided into 3,31,000 Equity Shares of Rs.10/- each and 1,760 Equity Shares of Rs. 1000/- each. There are currently no outstanding partly paid up shares or any other instruments convertible into equity shares of the Company at a future date. The shares of the KSPL are not listed on any Stock Exchange.
- 4.4 Mr. Vijay Kedia, Ms. Manju Kedia, Mr. Pratik Kedia & Mr. Ankit Kedia are the promoters & directors of the Acquirer. Shareholding pattern of the Acquirer as on the date of this Letter of Offer are as under:

| Sr. No. | Shareholder's Category | No. of Equity Shares | % of Total Equity Shares |
|---------|-------------------------------------|----------------------|--------------------------|
| 1 | Promoters / Promoter Group | 3,31,000 | 99.47 |
| 2 | FII/ Mutual-Funds/ FIs/ Banks | - | - |
| 3 | Public | 1,760 | 0.53 |
| | Total Paid Up Equity Capital | 3,32,760 | 100.00 |

Note: These 1,760 Equity Shares are of face value of Rs. 1000/- each. These shares have voting rights equivalent to 1 vote per 1000 shares held by the shareholders.

4.5 The details of Board of Directors of the Acquirer, as on the date of this LoF are as follows:

| Sr. No. | Name & Residential Address of Directors | DIN No. | Qualification & Experience | Date of Appointment |
|---------|---|----------|---|---------------------|
| 1 | Mr. Vijay Kedia 3201/3202, Tower B, 32 nd Floor, Oberoi Springs, New Link Road, Andheri (W), Mumbai – 400 053. | 00230480 | He is aged about 55 years & a Commerce graduate. He has more than 25 years of experience in Indian Stock Market. He has rich experience across various industry sectors from Automobiles, FMCG, Tea and Logistics. | 18-Jun-92 |
| 2 | Ms. Manju Kedia 3201/3202, Tower B, 32 nd Floor, Oberoi Springs, New Link Road, Andheri (W), Mumbai – 400 053. | 00230569 | She is aged about 52 years & a Commerce graduate. She is a wife of Mr. Vijay Kedia. She has been actively handling all back office operation of KSPL including equity trades & operations. | 1-Aug-95 |
| 3 | Mr. Pratik Kedia 3201/3202, Tower B, 32 nd Floor, Oberoi Springs, New Link Road, Andheri (W), Mumbai – 400 053. | 02157336 | He is aged about 30 years & completed his PGD in Finance. He is a son of Mr. Vijay Kedia. He had worked with Priyasha Meven Finance Ltd., Span Capital & JP Morgan Chase. | 05-Apr-07 |
| 4 | Mr. Ankit Kedia 3201/3202, Tower B, 32 nd Floor, Oberoi Springs, New Link Road, Andheri (W), Mumbai – 400 053. | 02943888 | He is aged about 27 years & completed his MSC in International Marketing. He is a son of Mr. Vijay Kedia. He had worked with Atherstone Investor Communication Ltd., Atul Auto Ltd & Cineyug Entertainment. He is currently working with Lykis Ltd. | 10-May-10 |

Note: Mr. Vijay Kedia is already on the Board of the Target Company since May 2011 and designated as Chairman. He will not participate in any deliberations of the Board of Directors of Target Company or vote on any matter in relation to the Offer in terms of Regulation 24(4) of the Regulations.

4.6 As on the date of PA & this LoF, the Acquirer is currently holding 13,33,335 Equity Shares constituting 7.24% of the voting Equity Share Capital of the Target Company on a fully diluted basis. Other than KSPL, the present Promoter viz. Mr. Vijay Kedia is holding 32,34,383 Equity Shares constituting 17.57% of the voting Equity Share Capital of the Target Company on a fully diluted basis. As on date of the PA and this LoF, the Promoter Group collectively hold 45,67,718 Equity Shares constituting 24.81% of the voting Equity Share Capital of the Target Company on a fully diluted basis. KSPL & other promoter group member of the Target Company are duly complied with the provisions of Chapter V of SEBI (SAST) Regulations, 2011 and Chapter II of SEBI (SAST) Regulations, 1997. However there have been delays in compliance on 2 occasions by few days and on 1 occasion by 583 days. SEBI may initiate appropriate action against them in terms of the Regulations and provisions of the SEBI Act for the delays in compliances of Chapter II of the SEBI (SAST) Regulations, 1997 and Chapter V of the SEBI (SAST) Regulations, 2011.

- 4.7 The brief financials details of the Acquirer, based on audited financial for the financial year ended March 31, 2012, 2013 & 2014 and as per limited review report (un-audited) as on December 31, 2014 are as follows:

(Rs. In Lacs)

| Profit & Loss Account as on | 31-Dec-14 | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 |
|--|------------------|------------------|------------------|------------------|
| Income from Operations | 0.32 | 282.32 | 0.49 | 22.73 |
| Other Income | 5,128.13 | 324.93 | 42.38 | 16.78 |
| Total Income | 5,128.45 | 607.25 | 42.88 | 39.51 |
| Total Expenditure | 33.32 | 360.56 | 18.50 | 22.12 |
| PBDIT | 5,095.13 | 246.70 | 24.38 | 17.39 |
| Depreciation | 4.63 | 6.02 | 9.92 | 6.06 |
| Interest | 0.41 | 0.85 | 0.53 | 1.11 |
| Profit/(Loss) Before Tax | 5,090.09 | 239.82 | 13.92 | 10.22 |
| Provision for Tax | 700.00 | 21.28 | 0.38 | 2.04 |
| Mat Credit | (700.00) | (21.28) | - | - |
| Profit/(Loss) After Tax | 5,090.09 | 239.82 | 13.54 | 8.18 |

| Balance Sheet as on | 31-Dec-14 | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 |
|--|------------------|------------------|------------------|------------------|
| Sources of Funds | | | | |
| Paid-up Share Account | 50.70 | 50.70 | 33.10 | 33.10 |
| Reserves and Surplus (Excluding Revaluation Reserve) | 6,095.46 | 1,005.19 | 342.97 | 329.43 |
| Net worth | 6,146.16 | 1,055.89 | 376.07 | 362.53 |
| Non Current Liabilities | - | - | - | - |
| Current Liabilities | 1,529.34 | 77.79 | 400.56 | 387.06 |
| Total | 7,675.51 | 1,133.69 | 776.63 | 749.59 |
| Uses of Funds | | | | |
| Net Fixed Assets | 11.97 | 16.60 | 22.27 | 17.41 |
| Capital Work in Progress | 231.12 | 228.09 | 46.15 | - |
| Investments | 5,791.87 | 795.37 | 612.82 | 418.75 |
| Other Non Current Assets | - | - | - | - |
| Current Assets | 1,640.54 | 93.63 | 95.39 | 313.43 |
| Total | 7,675.51 | 1,133.69 | 776.63 | 749.59 |

| Other Financial Data | 31-Dec-14 | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 |
|-----------------------------|------------------|------------------|------------------|------------------|
| Dividend (%) | - | - | - | - |
| Earnings Per Share (Rs.) | 1,538 | 72 | 4 | 2 |
| Return on Net worth (%) | 82.81% | 22.70% | 3.60% | 2.25% |
| Book Value Per Share (Rs.) | 1847.11 | 317.32 | 113.61 | 109.52 |

The above financial are certified by Mr. Mayur Suresh Mandlecha, Proprietor of M. S. Mandlecha & Co. (FRN 129037W), Chartered Accountants, having office at Shop No. 1, D. S. Nagar, Narsing Lane, S. V. Road, Malad (W), Mumbai – 400 064, vide his certificate dated February 27, 2015.

- 4.8 There has been no merger / de-merger, spin-off in the Acquirer during the past three years. The Acquirer does not have any intention to delist the Target Company in the succeeding three years after the instant offer.
- 4.9 KSPL is a Private Company and the shares of the KSPL are not listed on any Stock Exchange. There are no contingent liabilities in KSPL.

- 4.10 Neither KSPL nor any of its Promoters or Directors has entered into any non-compete arrangement and/or agreement with anyone with respect to the operation of Target Company.
- 4.11 Neither the KSPL nor any of its Promoters or Directors has been prohibited by Securities Exchange Board of India (SEBI) from dealing in securities, in terms of directions issued under section 11B of SEBI Act, 1992 (as amended) or any other regulations made thereunder.
- 4.12 There are no 'Persons Acting in Concert' within the meaning of Regulation 2(1)(q)(1) of the Regulations in relation to this Open Offer. Due to the applicability of Regulation 2(1)(q)(2) of the Regulations, there could be certain entities deemed to be Persons Acting in Concert with the Acquirers.

5. BACKGROUND OF THE TARGET COMPANY – LYKIS LIMITED (“LYKIS”)

(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

- 5.1 The Target Company was originally established as a Partnership firm in the style of M/s. Sutodiya & Co. in the year 1965 in Kolkata. It was converted into a Private Limited on October 15, 1984 under Part IX of the Companies Act, 1956 in the name of “Sutodiya & Company Pvt Ltd”. The name of the Company changed to “Greenline Tea & Exports Private Limited” and a fresh certificate was obtained on October 25, 1994. It was converted into a public limited company and the name was changed to “Greenline Tea & Exports Limited” and a fresh certificate of incorporation consequent to change in name was obtained on October 27, 1994 from the Registrar of Companies under the Companies Act, 1956. Further the name of the Company was changed to “Lykis Limited” and a fresh certificate of incorporation consequent to change in name was obtained on May 17, 2012 from the Registrar of Companies under the Companies Act, 1956.
- 5.2 The registered office of the Target Company is situated at 14, N. S. Road, Sathi Chamber, 3rd Floor, Room No. 314B, Kolkata, West Bengal – 700 001. The CIN of the Target Company is L74999WB1984PLC038064.
- 5.3 The main object of the Company is (1) to own establish, purchase, take on lease, rent or on hire, build, construct, develop or otherwise acquire tea garden, stores or services required in connection with or in relation to Tea Gardens & to provide for agriculture, Tea Seeds, Tea Clones, Tea Nursery, etc. (2) to deal in all kinds of food grains and tea seeds, or any other agricultural food products and (3) to carry on the activities of production, manufacturing, distribution, etc in relation of Fast Moving Consumer Goods (FMCG) etc.
- 5.4 **Share Capital Structure of the Target Company**

The authorized share capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 (Two Crores) equity shares of Rs.10/- each. As on date, the paid-up capital of the Target Company is Rs. 18,95,89,925/- consisting of Rs. 18,40,71,550/- divided into 1,84,07,155 Equity Shares of Rs. 10/- each and a forfeited amount of Rs. 55,18,375/-. As on date of this LoF, there are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date. There are no partly paid up shares in the Target Company.

| Paid-up Equity Shares of Target Company | No. of Shares / Voting Rights | % of Share / Voting Rights |
|--|--------------------------------------|-----------------------------------|
| Fully Paid-up Equity Shares | 1,84,07,155 | 100.00 |
| Partly Paid-up Equity Shares | - | - |
| Total Paid-up Equity Shares | 1,84,07,155 | 100.00 |
| Total Voting Rights in Target Company | 1,84,07,155 | 100.00 |

- 5.5 The Equity Shares of the Target Company are listed on BSE Ltd (“BSE”), Ahmedabad Stock Exchange Ltd (“ASE”), Calcutta Stock Exchange Ltd (“CSE”), Jaipur Stock Exchange Ltd (“JSE”) and Madras Stock Exchange Ltd (“MSE”).

- 5.6 As per the disclosures made in the Annual Reports of the Target Company, the trading in the Equity Shares of the Target Company is under suspension in all the Stock Exchanges except BSE. However as per information available on website of the respective Stock Exchanges, the trading in the Shares of the Target Company is under suspension from ASE and CSE for non compliance of Listing Agreement.
- 5.7 The Target Company has forfeited 22,07,350 Equity Shares in the year 1996. Further the Target Company had allotted 1,33,33,345 Equity Shares via Preferential route under Chapter VII of SEBI (ICDR) Regulations, 2009 in the year 2012 & 2013. The Target Company has not given effect of these forfeiture and further allotment on the above mentioned Stock Exchanges except BSE. Hence as on date of this LoF, 72,81,160 Equity Shares of the Target Company are listed on ASE, CSE, JSE & MSE and 1,84,07,155 Equity Shares of the Target Company are listed on BSE.
- 5.8 The entire voting equity share capital of the Target Company is listed at BSE Limited (Scrip ID: LYKISLTD, Scrip Code: 530689). Based on the information available on the respective Stock Exchanges, the equity shares of the Target Company are not frequently traded within the meaning of definition of "frequently traded shares" under Regulation 2(1)(j) of the Regulations.

5.9 Details of Directors of Lykis Limited

As on the date of this Letter of Offer, the Board of Directors of the Target Company comprises of 5 (Five) members as given below:

| Sr. No. | Name | DIN No. | Designation | Date of Appointment |
|---------|-----------------------|----------|------------------------|---------------------|
| 1 | Mr. Vijay Kedia | 00230480 | Non Executive Chairman | 02-May-11 |
| 2 | Mr. Prince Tulsian | 02691348 | Managing Director | 22-Dec-09 |
| 3 | Mr. Nadir Dhrolia | 03303675 | Non Executive Director | 05-Dec-11 |
| 4 | Mr. Nazim Charania | 03117883 | Non Executive Director | 01-Aug-12 |
| 5 | Mr. Mayank Jhunjuwala | 02695948 | Independent Director | 26-Feb-14 |

Note: As on date of this Letter of Offer, Mr. Vijay Kedia represents the Acquirer. He will not participate in any deliberations of the Board of Directors of Target Company or vote on any matter in relation to the Offer in terms of Regulation 24(4) of the Regulations.

- 5.10 There has not been any merger / demerger or spin-off in the Target Company during the past 3 (three) years.
- 5.11 The brief financial details of the Target Company, based on the audited financial statements for the financial year ended March 31, 2012, 2013 & 2014 and as per limited review report (un-audited) as on September 30, 2014 are as follows:

(Rs. In Lacs)

| Profit & Loss Account as on | 30-Sep-14 | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 |
|--------------------------------------|-------------|--------------|----------------|----------------|
| Income from Operations | 7,008.29 | 11,877.87 | 1502.53 | 250.25 |
| Other Income | 34.70 | 182.73 | 131.91 | 86.98 |
| Total Income | 7,042.99 | 12,060.57 | 1634.44 | 337.23 |
| Total Expenditure | 6,939.32 | 11,796.94 | 1616.62 | 304.60 |
| PBDIT | 103.67 | 263.63 | 17.82 | 32.63 |
| Depreciation | 13.45 | 24.98 | 20.88 | 11.59 |
| Interest | 80.91 | 110.55 | 7.92 | 13.46 |
| Profit/(Loss) Before Tax | 9.31 | 128.10 | (10.98) | 7.58 |
| Provision for Tax | - | 41.15 | (4.40) | 2.18 |
| Profit/(Loss) for the Year / Period | 9.31 | 86.95 | (15.38) | 5.40 |
| Adjustment for Prior Period Expenses | - | - | (0.60) | (29.23) |
| Profit/(Loss) After Tax | 9.31 | 86.95 | (15.98) | (23.83) |

| Balance Sheet as on | 30-Sep-14 | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 |
|--|------------------|------------------|------------------|------------------|
| Sources of Funds | | | | |
| Paid-up Share Account | 1,895.90 | 1,895.90 | 1,495.90 | 562.56 |
| Money received against Equity Share Warrants | - | - | 450.00 | 75.00 |
| Reserves and Surplus (Excluding Revaluation Reserve) | 863.26 | 847.59 | 556.39 | 92.71 |
| Net worth | 2,759.16 | 2,743.49 | 2,502.29 | 730.27 |
| Share Application Money | - | - | - | 400.00 |
| Non Current Liabilities | 5,305.18 | 4,577.21 | 206.88 | 86.99 |
| Current Liabilities | 719.85 | 557.70 | 579.44 | 348.29 |
| Total | 8,784.19 | 7,878.40 | 3,288.61 | 1,565.55 |
| Uses of Funds | | | | |
| Fixed Assets | 1,179.31 | 1,183.43 | 1,155.65 | 1,141.68 |
| Less: Revaluation Reserve | 10.06 | 10.75 | 12.14 | 13.52 |
| Net Fixed Assets | 1,169.25 | 1,172.68 | 1,143.51 | 1,128.16 |
| Capital Work in Progress | 106.42 | 97.76 | 55.20 | 15.59 |
| Investments | 21.74 | 21.74 | 37.57 | 107.98 |
| Other Non Current Assets | 50.00 | - | 0.88 | 0.88 |
| Current Assets | 7,436.78 | 6,586.22 | 2,051.45 | 312.94 |
| Total | 8,784.19 | 7,878.40 | 3,288.61 | 1,565.55 |

| Other Financial Data | 30-Sep-14 | 31-Mar-14 | 31-Mar-13 | 31-Mar-12 |
|-----------------------------|------------------|------------------|------------------|------------------|
| Dividend (%) | - | - | - | - |
| Earnings Per Share (Rs.) | 0.05 | 0.47 | (0.13) | 0.11 |
| Return on Net worth (%) | 0.34% | 3.17% | (0.64%) | (3.26%) |
| Book Value Per Share (Rs.) | 14.99 | 14.90 | 17.37 | 14.39 |

The above financial are certified by Mr. Sanjay Agarwal, Partner of Sanjay P Agarwal & Associates (FRN 325683E), Chartered Accountants, having office at 4, Fairlie Place, HMP House, Mazzenine Floor, Room No. M-29, Kolkata – 700 001, vide his certificate dated February 25, 2015.

- 5.12 There were delays in complying with the applicable provisions under Chapter II of the SEBI (SAST) Regulations, 1997 for the years 1997 to 2006 and for the years 2009 to 2011 by the Target Company. SEBI may initiate appropriate action against the Target Company in terms of the Regulations and provisions of the SEBI Act for the delays in compliances of Chapter II of the SEBI (SAST) Regulations, 1997.

5.13 **Details of Compliance Officer of the Target Company**

Mr. Udayan Bal

Lykis Limited, 14, N.S. Road, Sathi Chamber, 3rd Floor, Room No. 314B, Kolkata, – 700 001.
Telefax No.: 033 – 2262 5265; Email ID: lykisho@lykisgroup.com

5.14 Pre and Post Offer Shareholding Pattern of the Target Company is as follows:

| Shareholders' Category | Shares / voting rights prior to the agreement / acquisition and the Offer | | Shares / voting rights agreed to be acquired which triggered off the Regulations | | Shares / voting rights to be acquired in open offer (Assuming full acceptance) | | Shareholding / voting rights after the acquisition and the Offer (Assuming full acceptance) | |
|---|---|---------------|--|----------|--|--------------|---|---------------|
| | (A) | | (B) | | (C) | | (A) + (B) + (C) = (D) | |
| | No | % | No | % | No | % | No | % |
| (1) Promoter Group including Acquirer | | | | | | | | |
| a) Acquirer - KSPL | 13,33,335 | 7.24 | - | - | 47,85,861 | 26.00 | 61,19,196 | 33.24 |
| b) Other Promoter Group entities (other than (a) above | 32,34,383 | 17.57 | - | - | - | - | 32,34,383 | 17.57 |
| Total | 45,67,718 | 24.81 | - | - | 47,85,861 | 26.00 | 93,53,579 | 50.81 |
| (2) Parties to Agreement, if any | - | - | - | - | - | - | - | - |
| (3) Public Shareholders (i.e other than mentioned above) | | | | | | | | |
| a) FIs/MFs/FIIs/Banks | - | - | | | | | | |
| b) Others | | | | | | | | |
| Corporate Bodies | 21,37,121 | 11.61 | - | - | (47,85,861) | (26.00) | 90,53,576 | 49.19 |
| Indian Publics | 1,17,02,316 | 63.57 | - | - | | | | |
| NRIs / Clearing Members | - | - | - | - | | | | |
| Total (3)(a+b) | 1,38,39,437 | 75.19 | - | - | - | - | 90,53,576 | 49.19 |
| Grand Total (1+2+3) | 1,84,07,155 | 100.00 | - | - | - | - | 1,84,07,155 | 100.00 |

Notes:

- 1) This is a voluntary offer under Regulations 3(1) of the SEBI (SAST) Regulations 2011.
- 2) The data within the brackets indicate sale of Equity Shares under this Open Offer.
- 3) Pre-Shareholding Pattern is based on December 31, 2014 and total No. of Public Shareholders as on December 31, 2014 was 1901 (One Thousand Nine Hundred & One).

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

- 6.1.1 There is no acquisition of Shares which has triggered this Open Offer. This voluntary Offer is being made by the Acquirer, for consolidation of holdings of the Promoters/Promoter Group and is made in terms of Regulations 3(1) of the SEBI (SAST) Regulations 2011. This Open Offer does not result in any change of control of the Target Company. This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 6.1.2 The Equity Shares of the Target Company are listed on BSE Ltd ("BSE"), Ahmedabad Stock Exchange Ltd ("ASE"), Calcutta Stock Exchange Ltd ("CSE"), Jaipur Stock Exchange Ltd ("JSE") and Madras Stock Exchange Ltd ("MSE").
- 6.1.3 The annualized trading turnover in the equity shares of the Target Company on the respective Stock Exchanges, based on trading volume during the 12 (twelve) calendar months prior to the month of Public Announcement (February 01, 2014 to January 31, 2015) is as given below:

| Name of the Stock Exchange | Total number of Equity Shares traded during the 12 (Twelve) calendar months prior to the month of PA | Total No. of Listed Shares as on date | Annualized Trading Turnover (in terms of % to Total Listed Shares) |
|----------------------------|--|---------------------------------------|--|
| BSE | 8,58,585 | 1,84,07,155 | 4.66% |
| ASE | Inactive | 72,81,160 ⁽³⁾ | NA |
| CSE | Inactive | 72,81,160 ⁽³⁾ | NA |
| JSE | Inactive | 72,81,160 ⁽³⁾ | NA |
| MSE | Inactive | 72,81,160 ⁽³⁾ | NA |

| Name of the Stock Exchange | Total number of Equity Shares traded during the 12 (Twelve) calendar months prior to the month of PA | Weighted Avg. No. of Listed Shares (Feb 01, 2014 to Jan 31, 2015) | Annualized Trading Turnover (in terms of % to Weighted Avg. No. of Listed Shares) |
|----------------------------|--|---|---|
| BSE | 8,58,585 | 1,74,97,565 ⁽⁴⁾ | 4.91% |
| ASE | Inactive | 72,81,160 ⁽³⁾ | NA |
| CSE | Inactive | 72,81,160 ⁽³⁾ | NA |
| JSE | Inactive | 72,81,160 ⁽³⁾ | NA |
| MSE | Inactive | 72,81,160 ⁽³⁾ | NA |

Notes:

- 1) The above data were taken from the website of the respective Stock Exchanges.
- 2) As per the disclosures made in the Annual Reports of the Target Company, the trading in the Equity Shares of the Target Company is under suspension in all the Stock Exchanges except BSE. However as per information available on website of the respective Stock Exchanges, the trading in the Shares of the Target Company is under suspension from ASE and CSE.
- 3) The Target Company has forfeited 22,07,350 Equity Shares in the year 1996. Further the Target Company had allotted 1,33,33,345 Equity Shares via Preferential route under Chapter VII of SEBI (ICDR) Regulations, 2009 in the year 2012 & 2013. The Target Company has not given effect of these forfeiture and further allotment on the above mentioned Stock Exchanges except BSE.
- 4) The Target Company had allotted 40,00,005 Equity Shares on conversion of warrants under Chapter VII of SEBI (ICDR) Regulations, 2009 on April 08, 2013. However the Target Company has received the trading permission w.e.f. April 25, 2014 from BSE on these Equity Shares.

6.1.4 Based on the information available on the website of the respective Stock Exchanges, the equity shares of the Target Company are not frequently traded (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Hence, the Offer Price of Rs. 40/- (Rupees Forty Only) per fully paid up Equity Share has been determined and justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

| | | |
|-----|--|------------------|
| (a) | Highest Negotiated Price per equity share for any acquisition under the Agreement attracting the obligation to make the PA | Not Applicable |
| (b) | The volume-weighted average price paid or payable by Acquirer for acquisition during the 52 (Fifty Two) weeks immediately preceding the date of PA | Nil Acquisitions |
| (c) | The highest price paid or payable by Acquirer for any acquisition during 26 (Twenty Six) weeks period immediately preceding the date of PA | Nil Acquisitions |
| (d) | The volume-weighted average price paid or payable by any of the Promoter Group Shareholders (other than Acquirer) for acquisition during the 52 (Fifty Two) weeks immediately preceding the date of PA | Nil Acquisitions |
| (e) | The highest price paid or payable by any of the Promoter Group Shareholders (other than Acquirer) for any acquisition during 26 (Twenty Six) weeks period immediately preceding the date of PA | Nil Acquisitions |

| | | | |
|-----|--|---------------------|---------------------|
| (f) | In case of frequently traded shares, the volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE (As the maximum volume of trading in the shares of the target company is recorded on BSE during such period) | Not Applicable | |
| (g) | Other Parameters based on Audited Financial for the year ended March 31, 2014 & un-audited (limited review) Financial for the period ended September 30, 2014 | Sep 30, 2014 | Mar 31, 2014 |
| (1) | Book Value per Equity Share (Rs) | 14.99 | 14.90 |
| (2) | Earnings Per Equity Share (Rs) | 0.05 | 0.47 |
| (3) | Return on Net worth (%) | 0.34 | 3.17 |
| (4) | The average industry P/E for the sector in which Target Company operates. (Source: Capital Market, Capital Market Vol. XXIX/26, Feb 16 - Mar 01, 2015, Industry: Tea Industry) | 24.80 | |

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of Rs. 40/- (Rupees Forty Only) per fully paid up Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

- 6.1.5 In the event of acquisition of Equity Shares of the Target Company by the Acquirer during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will stand revised to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. However, they will not be acquiring any Equity Shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
- 6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST), Regulations.
- 6.1.7 If the Acquirer acquires Equity Shares during the period of twenty six weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in this Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares in any form.
- 6.1.8 The Acquirer is permitted to revise the Offer Price upward at any time up to 3 (Three) working days prior to the commencement of the Tendering Period. If there is any such upward revision in the Offer Price by the Acquirer or in the case of withdrawal of Offer, the same would be informed by way of the Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer for all the shares validly tendered in the Offer.
- 6.1.9 As on date, there is no revision in open offer price or open offer size. In case of any revision in the open offer price or open offer size, the Acquirer shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, Stock Exchanges and the Target Company at its registered office of such revision. The revised Offer Price would be paid to all the Public Shareholders who's Equity Shares are accepted under the Open Offer.

6.2 FINANCIAL ARRANGEMENT

- 6.2.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 47,85,861 Equity Shares of Rs. 10/- each from the public shareholders of the Target Company at a Offer Price of Rs. 40/- (Rupees Forty Only) per Equity Share is Rs. 19,14,34,440/- (Rupees Nineteen Crores Fourteen Lacs Thirty Four Thousand Four Hundred & Forty Only) (the "Offer Consideration").

- 6.2.2 The Acquirer has adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources and no funds are borrowed from banks or financial institution for the purpose of this Open Offer by the Acquirer. Mr. Mayur Suresh Mandlecha, Proprietor of M. S. Mandlecha & Co. (FRN 129037W), Chartered Accountants, having office at Shop No. 1, D. S. Nagar, Narsing Lane, S. V. Road, Malad (W), Mumbai – 400 064; Tel. No.: 022 – 2865 9927; E-mail: mayur.mandlecha@gmail.com vide his certificate dated February 27, 2015 have confirmed that sufficient resources are available with the Acquirer for fulfilling the obligations under this Open Offer in full.
- 6.2.3 In term of Reg. 17(1) of the Regulations, the Acquirer has to create an escrow for an amount equal 25% of the Offer Consideration i.e for Rs. 4,78,58,610/- (Rupees Four Crores Seventy Eight Lacs Fifty Eight Thousand Six Hundred & Ten Only). In term of Reg. 17(3)(c) of the Regulations, the Acquirer have transferred frequently traded and freely transferable equity shares with appropriate margin of an amount of more than Rs. 500.00 Lacs (based on Closing Market Price of February 27, 2015) in favour of Aryaman Financial Services Limited, the Manager to the Offer. These securities are in compliance of Reg. 9(2)(c) of the Regulations.

The full details of securities kept in Escrow are as follows:

| Sr. No. | Name of the Scrip | Quantity | Face Value | Market Price | Total Value |
|---------|---|----------|------------|--------------|------------------------|
| 1 | Apar Industries Ltd | 2,53,542 | Rs. 10/- | Rs. 360.20 | Rs. 913.25 Lacs |
| 2 | Rashtriya Chemicals & Fertilizers Ltd. | 3,50,000 | Rs. 10/- | Rs. 68.55 | Rs. 239.92 Lacs |
| | Total | | | | Rs. 1,153.18 Lacs |
| | Less: Margin | | | | Rs. 674.59 Lacs |
| | Value of Securities available for Escrow | | | | Rs. 478.59 Lacs |

Notes:

- All the above shares are fully paid up. Market Prices are based on closing market rate on February 27, 2015 on The National Stock Exchange of India Limited (NSE).
 - The securities deposited in the Escrow Demat Account are free of lien / encumbrances.
 - The securities deposited in the Escrow Demat Account are held by the Acquirer and the said shares were transferred to the Escrow Demat Account by the Acquirer by executing the inter-depository delivery instruction.
 - The securities deposited in the Escrow Demat Account are carrying the voting rights and there is no suspension or freeze of the voting rights.
 - The Manager to the Offer is authorized to operate and maintain the Escrow Demat Account in terms Regulation 17(7) of the SEBI (SAST) Regulations, 2011.
 - Further the Manager to the Offer will make good any such deficit, if any, on realisation of value of the securities available for escrow in terms of Regulations.
- 6.2.4 The Acquirer, the Manager to the Offer and DCB Bank, a banking corporation incorporated under the laws of India and having one of its branch offices at Office No. 3, Ground Floor, "B" Wing, Mittal Court, Nariman Point, Mumbai – 400 021, have entered into an Escrow Agreement for the purpose of the Offer ("Escrow Agreement") in accordance with Regulation 17 of the SEBI (SAST) Regulations. Pursuant to the Escrow Agreement, the Acquirer has deposited Rs. 20,00,000/- (Rupees Twenty Lacs Only) in cash in the Escrow Account which is in excess of 1% of the Offer Consideration.
- 6.2.5 The Manager to the Offer has been duly authorised by the Acquirer to realize the value of the Escrow Securities and Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.6 Based on the above and in the light of the Escrow Arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill the Acquirer's obligations through verifiable means in relation to the Offer in accordance with the Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

- 7.1.1 This Open Offer is not a conditional Offer and not subject to any minimum level of acceptance. The Acquirer will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer upto a maximum of 47,85,861 (Forty Seven Lacs Eighty Five Thousand Eight Hundred & Sixty One) Equity Shares constituting 26.00% of the voting Equity Share Capital of the Target Company.
- 7.1.2 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.3 The Letter of Offer together with the Form of Acceptance and transfer deed (for Shareholders holding Equity Shares in the physical form) is being mailed to those Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Equity Shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date i.e. April 10, 2015. Owners of Equity Shares who are not registered as Shareholder(s) are also eligible to participate in the Offer at any time prior to the Date of Closure of the Offer.
- 7.1.4 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.5 The eligible persons can write to the Registrar / Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Date of Closure of the Offer i.e. May 12, 2015. Alternatively, The Letter of Offer alongwith the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.
- 7.1.6 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.7 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 7.1.8 Where the number of equity shares surrendered by the shareholders are more than the Equity Shares agreed to be acquired by Acquirer, the Acquirer will accept the offers received from the shareholders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner.
- 7.1.9 The Acquirer will not be responsible in any manner for any loss of Equity Share certificate(s) and Offer acceptance documents during transit. The equity shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

7.2 LOCKED IN SHARES

Locked-in shares shall be accepted subject to the continuation of the residual lock -in period in the hands of the Acquirer. There shall be no discrimination in the acceptance of locked-in and not locked-in shares.

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

All the shareholders (registered or unregistered) of the Target Company (except Acquirer, persons deemed to be acting in concert with Acquirer and existing Promoters or Promoter Group of the Target Company), owning equity shares any time before the Closure of the Open Offer, are eligible to participate in the Open Offer. However, the Letter of Offer is being mailed to those Shareholders whose names appear on the Register of Members of the Target Company at the close of business hours on the Identified i.e. April 10, 2015.

7.4 STATUTORY AND OTHER APPROVALS

7.4.1 As on the date of this DPS, there are no statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. No approvals are required to be obtained from Banks / Financial Institutions for the Offer. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, Stock Exchanges and the registered office of the Target Company.

7.4.2 Shareholders of the Target Company who are either non-resident Indians ("NRIs") or overseas corporate bodies ("OCBs") and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of RBI which have been obtained at the time of acquisition of Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.

7.4.3 In case of delay in receipt of any statutory approvals as disclosed above or which may be required by the Acquirer at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer subject to the Acquirer agreeing to pay interest to the Public Shareholders for the delay. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer has the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Open Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1 All the shareholders (registered or unregistered) of the Target Company (except Acquirer, persons deemed to be acting in concert with Acquirer and existing Promoters or Promoter Group of the Target Company), owning equity shares any time before the Closure of the Open Offer, are eligible to participate in the Open Offer.

8.2 A Letter of Offer, specifying the detailed terms and conditions of this Offer, along with a Form of Acceptance-cum- Acknowledgement ("Form of Acceptance"), will be dispatched to all the eligible shareholders of the Target Company, whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Equity Shares of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on April 10, 2015 ("Identified Date").

8.3 The shareholders of the Target Company who hold the Equity Shares in physical form and wish to tender their Equity Shares will be required to send the duly completed Form of Acceptance, original Share Certificate(s) and Blank Transfer deed(s) duly signed and witnessed, in accordance with the instructions specified in the Letter of Offer, to the Registrar to the Offer either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach to the Registrar to the Offer, on or before the Date of Closure of the Offer, i.e. May 12, 2015, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance.

8.4 The Registrar to the Offer, **R & D Infotech Pvt. Ltd.** has opened a special depository account with Central Depository Services (India) Limited ("CDSL") for receiving Equity Shares during the offer from eligible Shareholders who hold Equity Shares in demat form.

- 8.5 The beneficial owners and shareholders holding shares in the dematerialized form, will be required to send their Form of Acceptance cum Acknowledgment and other documents as may be specified in the Letter of Offer to the Registrar to the Offer either by Registered Post or Courier or by hand delivery on Mondays to Fridays between 11.00 AM to 5.00 PM on or before the Date of Closure of the Open Offer, i.e. May 12, 2015, along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the depository participant ("DP"), in favor of " **Lykis Limited Open Offer Operated by RTA R and D Infotech Escrow A/c**" ("Special Depository Account") filled in as per the instructions given below:

| | |
|-----------------|-------------------------|
| Depository Name | CDSL |
| DP Name | BCB Brokerage Pvt. Ltd. |
| DP ID Number | 12010400 |
| Client ID | 00043104 |

Shareholders having their beneficiary account in National Securities Depository Limited ("NSDL") shall be required to use the inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account opened with CDSL.

- 8.6 In case (a) shareholders who have not received the Letter of Offer, (b) unregistered shareholders (c) owner of the shares who have sent the shares to the Target Company for transfer, a consent to the Registrar to the Open Offer on plain paper, stating the name, addresses, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, shall need to be provided so as to reach the Registrar to the Open Offer on or before 5.00 PM upto the Date of Closure of the Offer i.e. May 12, 2015. Such shareholders can also obtain the Letter of Offer from the Registrar to the Open Offer by giving an application in writing to that effect.
- 8.7 In case of non-receipt of the Letter of Offer and holding the shares in demat form, may send the application in writing to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, DP Name, DP ID, Beneficiary Account Number and a photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the Date of Closure of the Offer i.e. May 12, 2015.
- 8.8 The following collection centre would be accepting the documents (as specified above), by Hand Delivery / Registered Post, whether the Equity Shares tendered in physical mode or in dematerialized mode:

| Name & Address of Collection Center | Contact Person & Contact Numbers | Mode of Delivery |
|---|---|------------------------------------|
| R & D Infotech Pvt. Ltd., 7A, Beltala Road, 1 st Floor, Kolkata – 700 026. | Mr. Ratan Mishra Telefax No.: 033 – 2419 2641 / 42 | Hand Delivery / Registered Post |

Neither the share certificate(s) nor transfer deed(s) nor the Form of Acceptance should be sent to the Acquirers or the Target Company or the Manager to the Offer.

- 8.9 The Shareholders who have sent the shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the depository account should be received on or before the business hours on the Date of Closure of the Offer, else the Form of Acceptance, in respect of dematerialized equity shares not credited to the special depository account before the Date of Closure of the Offer, is liable to be rejected.
- 8.10 No indemnity is needed from unregistered shareholders.

8.11 Tax To be deducted at source

While tendering shares under the Offer, NRI/ OCB/ Non-domestic companies/ Other persons who are not resident in India will be required to submit a No Objection Certificate/Tax Clearance Certificate from the Income Tax authorities, under the Income Tax Act, 1961 (the "Income Tax Act"), indicating the rate at which the tax has to be deducted by Acquirer before remitting the consideration. In case the aforesaid No Objection Certificate/Tax Clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

8.12 The Registrars to the Offer will hold in trust the Equity Shares and share certificate(s), Equity Shares lying in credit of the Special Depository Account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted Equity Shares / share certificates are dispatched / returned.

8.13 In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011 shall be adhered to, i.e. extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company subject to the Acquirer agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard.

8.14 The consideration to the shareholders whose shares have been accepted will be paid by crossed account payee cheques / Demand Drafts / National Electronic Clearance Service (NECS) / Direct Credit (DC) / Real Time Gross Settlement (RTGS) / National Electronic Funds Transfer (NEFT) where applicable. Such payments through account payee cheques / Demand Drafts or unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by Registered Post at the registered shareholders' / unregistered owners' sole risk to the sole / first shareholder / unregistered owner. Equity Shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.

9. DOCUMENTS FOR INSPECTION

The following documents will be available for inspection to the Shareholders of the Target Company at the Office of Aryaman Financial Services Limited at 60, Khatau Building, Alkesh Dinesh Modi Marg, Opp. P J Towers (BSE building) Fort, Mumbai – 400 001 on Monday to Friday except bank holidays till the Offer Closing date (i.e. May 12, 2015) from 11.00 a.m. to 4.00 p.m.

9.1 Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.

9.2 Certificate issued by Mr. Mayur Suresh Mandlecha, Proprietor of M. S. Mandlecha & Co. (FRN 129037W), Chartered Accountants, having office at Shop No. 1, D. S. Nagar, Narsing Lane, S. V. Road, Malad (W), Mumbai – 400 064, certifying the adequacy of financial resources with the Acquirer to fulfill their part of Open Offer obligations.

9.3 Certificate issued by DCB Bank Limited confirming the amount of Rs. 20,00,000/- (Rupees Twenty Lacs Only) kept in the Escrow Account.

9.4 Copies of the Public Announcement dated February 27, 2015, published copy of the Detailed Public Statement, which appeared in the Newspapers on March 09, 2015, Issue Opening PA and any corrigendum to these.

9.5 Audited Annual Reports / Accounts of the Acquirer and the Target Company for the last 3 years.

9.6 Full details of securities kept in the escrow demat account such as name, quantity, face value, paid up value, market price, etc.

- 9.7 A copy of the recommendation dated made by the Committee of Independent Directors (IDC) of the Target Company .
- 9.8 Memorandum of Understanding between the Acquirer and Aryaman Financial Services Limited (Manager to the Offer).
- 9.9 Copy of the Memorandum of Understanding the Acquirer and R & D Infotech Pvt. Ltd. (Registrar to the Offer).
- 9.10 Document evidencing of opening of Special Depository Account for receiving shares tendered under the Open Offer.
- 9.11 Observation letter bearing reference number dated received from SEBI in terms of Regulation 16(4) of the Regulations.

10. DECLARATION BY THE ACQUIRERS

For the purpose of disclosures in this Letter of Offer relating to the Target Company, the Acquirer has relied on the information available from public sources or as provided by the Target Company and the accuracy thereof has not been independently verified by the Acquirer and/or the Manager to the Offer. Subject to the aforesaid, the Acquirer, and the directors of the Acquirer accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations. The Acquirer shall be responsible for ensuring compliance with the SEBI (SAST) Regulations. All information contained in this Letter of Offer is as on date of the Public Announcement, unless stated otherwise.

The person signing this Letter of Offer on behalf of the Acquirer has been duly and legally authorised by the Acquirer to sign this Letter of Offer.

For and on behalf of

Kedia Securities Pvt Ltd

(Authorised Signatory)

Date: March 14, 2015

Place: Mumbai

Enclosures:

- 1) Form of Acceptance cum Acknowledgement
- 2) Blank Transfer Deed(s)

FORM OF ACCEPTANCE – CUM – ACKNOWLEDGEMENT

| |
|---------------------------------------|
| OFFER OPENS ON: APRIL 27, 2015 |
|---------------------------------------|

| |
|--------------------------------------|
| OFFER CLOSES ON: MAY 12, 2015 |
|--------------------------------------|

Name:

Address:

Folio No.:

Tel No:

Sr. No:

Fax No:

No of Shares Held:

E-Mail:

To

R & D Infotech Pvt. Ltd.,
7A, Beltala Road, 1st Floor,
Kolkata – 700 026.

Sub.: Open Offer for the acquisition of 47,85,861 Equity Shares of the face value of Rs. 10/- each, constituting 26.00% of the Equity Share Capital of the Target Company from the existing shareholders at a price of Rs. 40/- (Rupees Forty Only) per Share by Kedia Securities Pvt. Ltd.

Dear Sir,

I/We refer to the Letter of Offer dated for acquiring the Equity Shares held by me/us in LYKIS.

I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold shares, accept the offer and enclose the original Share certificate (s) and duly signed transfer deed (s) in respect of my/our Shares as detailed below:

DETAILS OF SHARES CERTIFICATE

| Sr. No. | Certificate No. | Distinctive No(s) | | No. of Shares |
|--------------------------------------|-----------------|-------------------|----|---------------|
| | | From | To | |
| | | | | |
| | | | | |
| | | | | |
| Total Number of Equity Shares | | | | |

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We confirm that the Equity Shares of Lykis Limited, which are being tendered herewith by me/us under the Offer, are free from lien, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original Share certificate(s) and valid Share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer pay the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

SHARES HELD IN DEMATERIALIZED FORM

I/We, holding Shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in "Off-market" mode, duly acknowledged by the Depository Participant ("DP") in respect of my/our Shares as detailed below:

-----TEAR ALONG THIS LINE -----

Acknowledgement Slip Sr. No. _____

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

Address _____

Physical Shares: Folio No. _____ / Demat Shares: DP ID: _____ Client ID: _____

Form of Acceptance along with (Tick whichever is applicable):

Physical Shares: No. of Shares _____; No. of certificate enclosed _____

Demat Shares: Copy of delivery instruction for _____ No. of Shares _____

Signature of Official: _____ Date of Receipt _____ Stamp of Collection Centre _____

| Sr. No. | DP Name | DP ID | Client ID | No. of Shares |
|---------|---------|-------|-----------|---------------|
| | | | | |
| | | | | |
| | | | | |

I/We have done an off market transaction for crediting the Shares to the special account opened for the purposes of the Offer, for which necessary instructions have been given to my/our DP.

I/We note and understand that the Shares would reside in the depository account opened for the purpose of this Offer until the time the Acquirers accepts the Shares and makes the payment of purchase consideration as mentioned in the Letter of Offer.

I/We authorize the Acquirer to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, Equity Share certificate(s) in respect of which the Offer is not found valid / not accepted, specifying the reasons thereof.

I/We authorize the Acquirer or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

Yours faithfully,
Signed and Delivered:

| | FULL NAME (S) | PAN NO. | SIGNATURE (S) |
|--------------------------|---------------|---------|---------------|
| First / Sole Shareholder | | | |
| Second Shareholder | | | |
| Third Shareholder | | | |

Note: In case of joint holdings, all holders must sign. A corporation / Company must affix its common seal.

Address of First/Sole Shareholder: _____

Place: _____ Date: _____

So as to avoid fraudulent encashment in transit, Shareholder(s) may provide details of bank account of the first / sole Shareholder and the consideration cheque or demand draft will be drawn accordingly.

| | |
|---|--|
| Name of the Bank _____ | Branch _____ |
| Account Number _____ | Savings / Current / Other (Please Specify) _____ |
| I/We want to receive the payment through NECS <input type="checkbox"/> RTGS <input type="checkbox"/> NEFT <input type="checkbox"/> | |
| In case of NECS, 9- digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> | |
| In the case of RTGS/NEFT, 11 digit IFSC code | <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> |

-----TEAR ALONG THIS LINE-----

All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address quoting your reference Folio No.:

R & D Infotech Pvt. Ltd.,
7A, Beltala Road, 1st Floor, Kolkata – 700 026.
Contact Person: Mr. Ratan Mishra Telefax No.: 033 – 2419 2641 / 42

Business Hours (Except Public Holidays): 11.00 a.m. to 5.00 p.m.