

## DRAFT LETTER OF OFFER

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer (“DLOO”) is sent to you as a shareholder(s) of H.K. Trade International Limited (“Target Company”). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in the H.K. Trade International Limited, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed(s) to the Member of Stock Exchange through whom said sale was affected.

**OPEN OFFER BY**  
**Mr. Kirit Doshi**  
**(hereinafter referred to as “Acquirer”)**

Residing at 93 Mahagiri CHS Ltd., Ashok Nagar, Near Jain Temple, Kandivali East, Mumbai- 400101;  
Tel No.:022-66444444/4433, Fax No.: 022-66444400 Email id.: [kiritdoshi@waaree.com](mailto:kiritdoshi@waaree.com)

to acquire up to 6,84,320 equity shares of Rs. 10.00/- each at an Offer Price of Rs. 20.00/- (Rupees Twenty Only) per fully paid up equity share payable in cash representing 26.00% of the total paid up equity share capital/voting rights pursuant to Regulations 3(1) & 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

of

**H.K. TRADE INTERNATIONAL LIMITED**  
**CIN No.: L25203MH2013PLC244911**  
**(hereinafter referred to as “HKT” or “Target Company”)**

incorporated under the provisions of the Companies Act, 2013 and the registered office of the Target Company is situated at Office No. 9, 2nd Floor, Bharat House, Plot no. 104, Bombay Samachar Marg, Near BSE Ltd, Fort, Mumbai – 400001, Maharashtra, India,

Email Id: [info@hktrade.in](mailto:info@hktrade.in), Website: [www.hktrade.in](http://www.hktrade.in), Tel. No.: 022-22676700

#### ATTENTION:

- The Offer is being made by the Acquirer pursuant to Regulations 3(1) & 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as “SEBI (SAST) Regulations, 2011” or “Regulations”) for the purpose of substantial acquisition of shares & change in control & management of the Target Company consequent to the acquisition of shares from the outgoing promoters/sellers by the Acquirer.
- The Offer is not a Conditional Offer on any minimum level of acceptance.
- As on date of this Draft Letter of Offer (“DLOO”), to the best of the knowledge of the Acquirer, the Offer is not subject to any statutory and regulatory approvals, except for those mentioned under Statutory Approval in paragraph no. 7.3 of this DLOO.
- Upward revision, if any, in the Offer Price would be informed to the shareholders by way of a corrigendum in the same newspapers where the Detailed Public Statement (“DPS”) has appeared. The Acquirer is permitted to revise the Offer Price upwards at any time prior to the commencement of the last three working days of opening of the Tendering Period i.e. May 11, 2018. The same price will be payable by the Acquirer for all the shares tendered anytime during the Tendering Period.
- If there is competing offer:**
  - The Public Offers under all the subsisting bids shall open and close on the same date.**
- A copy of Public Announcement, Detailed Public Statement and Draft Letter of Offer are also available on SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in).

**PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8**  
**“PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER” (PAGE NOS. 16 to 19)**  
**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS DRAFT LETTER OF OFFER**

**All future correspondence, if any, should be addressed to the Manager/Registrar to the Offer at the following addresses:**

| MANAGER TO THE OFFER  | REGISTRAR TO THE OFFER   |
|---|--|
| <br><b>Intensive Fiscal Services Private Limited</b><br>(CIN: U65920MH1997PTC107272)<br>914, 9 <sup>th</sup> Floor, Raheja Chambers,<br>Nariman Point, Mumbai- 400021<br>Tel. Nos.: 022-22870443/44/45<br>Fax No.: 022-22870446<br>E-mail: <a href="mailto:anand@intensivefiscal.com">anand@intensivefiscal.com</a><br>Contact Person: Mr. Anand Rawal /Ms. Meenal Poddar<br>SEBI Registration No.: INM000011112 | <br><b>Sharex Dynamic (India) Pvt Limited</b><br>CIN : U67190MH1994PTC077176<br>Unit No.1,luthra Indl premises,Safed pool,<br>Andheri-Kurla road,Andheri(East),<br>Mumbai-400072<br>Tel: (022) 2851 5606/ 5644/ 6338<br>Fax: (022) 2851 2885<br>E mail : <a href="mailto:sharexindia@vsnl.com">sharexindia@vsnl.com</a><br>Contact Person : Mr. B. S. Baliga<br>SEBI Registration No.: INR000002102 |
| <b>OFFER OPENS ON: Thursday, May 17, 2018</b>   | <b>OFFER CLOSES ON: Wednesday, May 30, 2018</b>  |

## SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

| Schedule of Major Activities   | Date           | Day       |
|--|----------------|-----------|
| Date of Public Announcement  | March 21, 2018 | Wednesday |
| Date of Detailed Public Statement  | March 28, 2018 | Wednesday |
| Date by which Draft Letter of Offer will be filed with SEBI  | April 06, 2018 | Friday    |
| Last date for a Competitive Bid, if any  | April 20, 2018 | Friday    |
| Date of receipt of the comments on Draft Letter of Offer from SEBI   | April 27, 2018 | Friday    |
| Identified Date*   | May 03, 2018   | Thursday  |
| Date by which Letter of Offer will be dispatched to the Shareholders   | May 10, 2018   | Thursday  |
| Last date for Revising the Offer Price / Number of Equity Shares   | May 11, 2018   | Friday    |
| Last Date of announcement containing reasoned recommendation by committee of independent directors of TC   | May 14, 2018   | Monday    |
| Date of Advertisement announcing the schedule of activities for the open offer, status of statutory & other approvals, status of unfulfilled conditions (if any), Procedure for tendering acceptances etc. | May 16, 2018   | Wednesday |
| Date of opening of the Tendering Period  | May 17, 2018   | Thursday  |
| Date of closing of the Tendering Period  | May 30, 2018   | Wednesday |
| Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and/or share certificate for the rejected shares will be dispatched                       | June 13, 2018  | Wednesday |
| Date of post offer advertisement   | June 20, 2018  | Wednesday |

*\* "Identified Date" is only for the purpose of determining the equity shareholders as on such date to whom the Letter of Offer would be dispatched. It is clarified that all owners (registered or unregistered) of the equity shares of the Target Company (except Acquirer, persons deemed to be acting in concert with Acquirer & Sellers) are eligible to participate in the Offer any time before the closing of the tendering period.*

### RISK FACTORS

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

#### Relating to Transaction

1. There are no statutory approvals required as on the date of filing of this DLOO or any statutory approval become applicable at a later date and in that event that either the statutory approvals or regulatory approvals, are not received in a timely manner, then the Offer process may be delayed beyond the Schedule of Major Activities of the Offer indicated in this Draft Letter of Offer.
2. The Acquirer makes no assurance with respect to the market price of the Shares both during Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

#### Risk Factors relating to the Proposed Offer

1. In the event of any litigation leading to stay on the Offer or SEBI instructing that the Offer should not be proceeded with, thus the Offer process may be delayed beyond the Schedule of the Major Activities of Offer indicated in this Draft Letter of Offer.
2. If the Acquirer is unable to make the payment to the shareholders who have accepted the Offer within 10 working days from the date of closure of the tendering period, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals, that may become applicable prior to completion of the Offer, was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 10 working days, as may be specified by SEBI from time to time. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.

- The transaction is subject to completion risks as would be applicable to similar transactions.

#### **Probable risks involved in associating with the Acquirer**

- Looking at the past trend, the Acquirer makes no assurance with respect to the continuation of the financial performance of the Target Company. The association of the Acquirer with HKT/Substantial Acquisition of Shares & post taking control of HKT, the Acquirer does not warrant any assurance with respect to the future financial performance of HKT.
- Post this Offer, (assuming full acceptance) the Acquirer will have majority equity ownership and control over the Target Company pursuant to Regulations 3(1) & 4 of the Regulations.
- The Acquirer also make no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.

The indicative risk factors set forth above are in relation to the Offer and not in relation to the present or future business or operations of HKT 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 or in association with the Acquirer. The shareholders of HKT are advised to consult their stock broker or investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

#### **CURRENCY OF PRESENTATION**

In this Draft Letter of Offer, all references to “Rs.” are to the reference of Indian National Rupees (“INR”). Throughout this Draft Letter of Offer, all figures have been expressed in “Lakhs” unless otherwise specifically stated. In this Draft 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**

| <b>Sr. No.</b> | <b>Particulars</b>   | <b>Page No.</b> |
|----------------|--|-----------------|
| 1)             | Definitions  | 3               |
| 2)             | Disclaimer Clause  | 5               |
| 3)             | Details of the Offer   | 6               |
| 4)             | Background of the Acquirer   | 9               |
| 5)             | Background of the Target Company –H.K. Trade International Limited | 9               |
| 6)             | Offer Price and Financial Arrangements                             | 12              |
| 7)             | Terms and Conditions of the Offer                                  | 14              |
| 8)             | Procedure for Acceptance and Settlement of the Offer               | 16              |
| 9)             | Documents for Inspection   | 20              |
| 10)            | Declaration by the Acquirer  | 21              |

#### **1. DEFINITIONS**

**The following definitions apply through this document, unless the context requires otherwise:**

|     |                                |   |
|-----|--------------------------------|---|
| 1.  | Acquirer                       | Mr. Kirit Doshi   |
| 2.  | Book Value per equity share    | Net worth for equity shareholders/Number of equity shares issued  |
| 3.  | BSE                            | BSE Limited, Mumbai (SME Platform)  |
| 4.  | CDSL                           | Central Depository Services (India) Limited   |
| 5.  | Companies Act                  | The Companies Act, 1956/ The Companies Act, 2013 as amended and as applicable.  |
| 6.  | DLOO                           | Draft Letter of Offer   |
| 7.  | DP                             | Depository Participant  |
| 8.  | DPS                            | Detailed Public Statement appeared in the newspapers on March 28, 2018.   |
| 9.  | Equity Share Capital           | Paid up equity share Capital of Rs. 2,63,20,000/- comprising of 26,32,000 equity share of Rs.10.00/- each   |
| 10. | EPS                            | Profit after tax/Number of Equity Shares issued   |
| 11. | Eligible Persons for the Offer | All owners (registered or unregistered) of Equity Shares of the Target Company who own the Equity Shares at any time before the Closure of the Tendering period (except the Acquirer, Sellers and their PACs) |
| 12. | Equity Shares                  | Fully paid-up Equity Shares of the Target Company of the  |

|     |  |  |
|-----|--|--|
|     |  | Face Value of Rs.10.00/- (Rupees Ten Only) each  |
| 13. | Escrow Account                                   | Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer  |
| 14. | Escrow Amount                                    | Shall have the meaning given to it in paragraph 6.2.1 of this Draft Letter of Offer  |
| 15. | Escrow Bank                                      | IndusInd Bank Limited  |
| 16. | FEMA   | Foreign Exchange Management Act, 1999 including rules and regulations formulated thereunder.   |
| 17. | FII  | Foreign Institutional Investors  |
| 18. | Form of Acceptance/FOA                           | Form of Acceptance-cum-Acknowledgement   |
| 19. | Identified Date                                  | May 03, 2018   |
| 20. | IFSC   | Indian Financial System Code   |
| 21. | INR / Rs.  | Indian Rupees, the legal currency of India   |
| 22. | Manager to the Offer or Merchant Banker          | Intensive Fiscal Services Private Limited  |
| 23. | MICR   | Magnetic Ink Character Recognition   |
| 24. | NECS   | National Electronic Clearing Service   |
| 25. | NEFT   | National Electronic Funds Transfer   |
| 26. | NSDL   | National Securities Depository Limited   |
| 27. | NRI(s)   | Non – Resident Indians   |
| 28. | N.A.   | Not Applicable   |
| 29. | Net worth  | Equity & Preference Share capital plus Reserve & Surplus excluding Revaluation Reserve minus Debit Balance of P&L or Miscellaneous Expenses not written off.   |
| 30. | OCB(s)   | Overseas Corporate Body(ies)   |
| 31. | Offer or The Offer                               | To acquire upto 6,84,320 fully paid up equity shares of Rs. 10.00/- (Rupees Ten Only) each at an Offer Price of Rs.20.00/- (Rupees Twenty Only) per fully paid up equity share payable in cash, representing 26.00% of the total paid up equity share capital  |
| 32. | Offer Period                                     | Period from the date of entering into an agreement, to acquire Shares, Voting Rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, to the date on which the payment of consideration to Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn. |
| 33. | Offer Price                                      | Rs.20.00/- (Rupees Twenty Only) per fully paid up equity share   |
| 34. | PA / Public Announcement                         | Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on March 21, 2018.  |
| 35. | PAT  | Profit After Tax   |
| 36. | Persons not eligible to participate in the Offer | Parties to the Share Purchase Agreement  |
| 37. | Promoters/ Sellers                               | Promoters of H.K. Trade International Limited as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015  |
| 38. | Public Shareholder(s)                            | The Equity Shareholder(s) of the Target Company other than the Acquirer & Sellers.   |
| 39. | Registrar or Registrar to the Offer              | Sharex Dynamic (India) Pvt Limited   |
| 40. | Return on Net Worth                              | (Profit After Tax/Net Worth)*100   |
| 41. | RTGS   | Real Time Gross Settlement   |
| 42. | SEBI   | Securities and Exchange Board of India   |
| 43. | SEBI (SAST) Regulations, 2011 or Regulations     | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time  |
| 44. | SEBI (SAST) Regulations 1997 or Old Regulations  | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended from time to time  |
| 45. | SEBI Act   | Securities and Exchange Board of India Act, 1992 as amended  |

|     |                             |   |
|-----|-----------------------------|---|
| 46. | SCRR                        | Securities Contract (Regulation) Rules, 1957, as amended thereof                        |
| 47. | Stock Exchange              | BSE Limited (BSE) (SME Platform)  |
| 48. | Target Company or HKT or TC | H.K. Trade International Limited  |
| 49. | Tendering Period            | Period within which shareholders may tender their shares in acceptance of an Open Offer |
| 50. | Working day                 | Working days of SEBI as defined in the SEBI(SAST) Regulations, 2011 in Mumbai           |

## 2. DISCLAIMER CLAUSE

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER 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 H.K. TRADE INTERNATIONAL LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR OF THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE HIS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, INTENSIVE FISCAL SERVICES PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 04, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER 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. The Offer is being made under Regulations 3(1) & 4 of SEBI (SAST) Regulations, 2011 wherein the Acquirer has agreed to acquire shares & change in control and the management of the Target Company subsequent to the acquisition of shares from the outgoing promoters/sellers.
- 3.1.2. The Acquirer does not hold any equity shares of the Target Company as on date of the Public Announcement, Detailed Public Statement and this Draft Letter of Offer.
- 3.1.3. The Acquirer have entered into a Share Purchase Agreement on March 21, 2018 with the Sellers of the Target Company and proposed to acquire 13,60,000 (Thirteen Lakhs Sixty Thousand) (hereinafter referred to as “SPA Shares”) fully paid up equity shares of Rs. 10.00/- (Rupees Ten Only) each, representing 51.67% of the issued, subscribed, paid up and voting capital of the Target Company at a price of Rs. 20.00/- (Rupees Twenty Only) per share aggregating to Rs. 2,72,00,000 (Rupees Two Crore Seventy-Two Lakhs Only). This Transaction has triggered the Open Offer in terms of SEBI (SAST) Regulations, 2011 details of which are as follows:

| Sellers                              |                            |   | Acquirer             |                            |   |
|--------------------------------------|----------------------------|---|----------------------|----------------------------|---|
| Name of the Seller                   | No. of Equity Shares of TC | % w.r.t. to the total paid up capital of TC | Name of the Acquirer | No. of Equity Shares of TC | % w.r.t. to the total paid up capital of TC |
| Reema Naresh Shah                    | 5,000                      | 0.19  | Kirit Doshi          | 13,60,000                  | 51.67                                       |
| Mahesh Indulal Mehta                 | 5,80,000                   | 22.04                                       |                      |                            |   |
| Chintan Mahesh Mehta                 | 55,000                     | 2.09  |                      |                            |   |
| Daksha Mahesh Mehta                  | 2,65,000                   | 10.07                                       |                      |                            |   |
| Mahesh I Mehta HUF                   | 52,500                     | 1.99  |                      |                            |   |
| Jatin Kantilal Shah                  | 2,00,000                   | 7.60  |                      |                            |   |
| Knowwell Enterprises Private Limited | 2,02,500                   | 7.69  |                      |                            |   |
| <b>Total</b>                         | <b>13,60,000</b>           | <b>51.67</b>                                |                      |                            |   |

- 3.1.4. The Acquirer in this Open Offer is Mr. Kirit Doshi, in terms of Regulation 2(1) (a) of the Regulations, 2011 and there are no Person(s) Acting in Concert (PACs) with the Acquirer in respect of this Offer within the meaning of Regulation 2(1)(q) of the Regulations
- 3.1.5. The Acquirer hereby make this Offer to the equity shareholders of the Target Company (other than the parties to the SPA) to acquire up to 6,84,320 equity shares of the Target Company of face value of Rs.10.00/- (Rupees Ten Only) each representing in aggregate 26.00% of the paid up equity share capital and voting capital of the Target Company at a price of Rs.20.00/- (Rupees Twenty Only) per fully paid up equity share, payable in Cash, subject to the terms and conditions mentioned in the PA, DPS and in the LOO that will be circulated to the shareholders in accordance with the SEBI (SAST) Regulations, 2011 to the shareholders, whose names will appear on the register of members of the Target Company or as beneficiaries on the beneficiary records of the Depository Participant as on the Identified Date i.e May 03, 2018.
- 3.1.6. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- 3.1.7. The salient features of the SPA are as under:-
- The Sellers intend to sell 13,60,000 (Thirteen Lakhs Sixty Thousand Only) fully paid up equity shares of Rs. 10.00/- each representing 51.67% of the fully paid up equity shares capital, to the Acquirer.
  - The negotiated price for the purpose of this agreement is Rs. 20.00/- (Rupees Twenty Only) per fully paid up equity share aggregating to Rs. 2,72,00,000 (Rupees Two Crore Seventy-Two Lakhs Only). The negotiated price is arrived on the basis of negotiation between the Acquirer and the Sellers.
  - The Acquirer & Sellers agree to comply with all the requirements of the Regulations before the sale is given effect as prescribed in the Regulations.
  - The Acquirer will pay the SPA consideration of Rs. 2,72,00,000 (Rupees Two Crore Seventy-Two Lakhs Only) to the Sellers on or before the completion of Open Offer.
  - In case of non-compliance with any of the provisions of the SEBI (SAST) Regulations, 2011, the SPA shall not be acted upon by either the Sellers or the Acquirer.

- f) The Acquirer has not entered into any non-compete arrangement and/or agreement with anyone with respect to the operation of the Target Company.
- g) The Sellers shall provide and shall cause the Target Company to provide to the Acquirer or their authorized representative(s) and advisor(s), full access to the Target Company's facilities, books, records and documents and provide all required materials, data and information necessary or as the Acquirer may require to investigate any facts or matters for conducting due diligence of any facts, matters, information relating to the business, affairs operations or prospects of the Target Company.

3.1.8. The Acquirer intends to take control over the Target Company & make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance hereof.

3.1.9. As on date of this DLOO, the Acquirer does not hold any shares & have not acquired any share in past of the Target Company.

3.1.10. As on the date of this DLOO, none of the directors of the Target Company represent the Acquirer.

3.1.11. The consideration for the shares accepted under the Open Offer payable to the respective shareholders shall be paid in cash in accordance with Regulation 9(1) (a) of SEBI (SAST) Regulations, 2011.

3.1.12. The Acquirer, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act, 1992 or under any other Regulation(s) made thereunder.

3.1.13. No other consideration/compensation, in cash or kind, whether directly or indirectly is being given to the Sellers apart from the consideration as stated in Para 3.1.7 above.

3.1.14. 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 newspapers where the DPS of the Offer was published i.e. on May 14, 2018 .

### **3.2. Details of the proposed Offer**

3.2.1. The Acquirer have made a Public Announcement on March 21, 2018 and published the Detailed Public Statement on March 28, 2018 in accordance with the Regulation 15(2) and pursuant to Regulations 3(1) and 4 of SEBI (SAST) Regulations, 2011. DPS was published in the following newspapers:

| <b>Publication</b>    | <b>Language</b> | <b>Editions</b> |
|-----------------------|-----------------|-----------------|
| The Financial Express | English         | All Editions    |
| Jansatta              | Hindi           | All Editions    |
| Mumbai Lakshkadeep    | Marathi         | Mumbai Edition  |

*The Public Announcement, Detailed Public Statement and Draft Letter of Offer is also available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in)*

3.2.2. Pursuant to the signing of SPA, the Acquirer is making this Open Offer under Regulations 3(1) & 4 of the Regulations, to acquire upto 6,84,320 equity shares of Rs. 10.00/- each representing 26.00% of the total issued, subscribed, paid up and voting capital of the Target Company at a price of Rs.20.00/- (Rupees Twenty Only) ("Offer Price") per fully paid up equity share payable in Cash (in terms of Regulation 9(1)(a)) subject to terms and conditions mentioned hereinafter.

3.2.3. This Offer is being made to all the equity shareholders of the Target Company (other than the parties to the SPA) in accordance with Regulation 7(6) of the Regulations and is not conditional upon any minimum level of acceptance. The Acquirer will acquire all the shares of the Target Company that are validly tendered as per the terms of the Offer upto a maximum of 6,84,320 equity shares.

3.2.4. The Offer is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011. There has been no competing offer as of the date of this Draft Letter of Offer.

3.2.5. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that will be sent to the equity shareholders of the Target Company as per the names appear on the Register of Members of the Target Company on the Identified Date i.e. May 03, 2018.

3.2.6. The Acquirer has not acquired any share of the Target Company after the date of Public Announcement till

the date of this DLOO.

- 3.2.7. Equity Shares proposed to be acquired under this Open Offer will be acquired by the Acquirer and no other persons / entities propose to participate in the acquisition.
- 3.2.8. As on date, to the best of knowledge and belief of the Acquirer, there are no statutory approvals required to acquire the equity shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals.
- 3.2.9. As on the date of this DLOO, there are no partly paid-up and no forfeited shares. There are no outstanding convertible instruments in the nature of warrants/fully convertible debentures/partly convertible debentures etc. which are convertible into equity shares at any later date.
- 3.2.10. As on date of PA, DPS & DLOO, the Manager to the Open Offer i.e. Intensive Fiscal Services Private Limited does not hold any shares in the Target Company in accordance with Regulation 27(6) of Regulations. They declare and undertake that they shall not deal in the shares of the Target Company during the Offer Period.
- 3.2.11. Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of Sale Shares in accordance with the SPA, the Acquirer will hold 20,44,320 (Twenty Lakhs Forty-Four Thousand Three Hundred and Twenty) Equity Shares constituting 77.67% of the present issued, subscribed and paid up equity share capital of the Target Company. Pursuant to this Open Offer, the public shareholding in the Target Company would reduce below the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the purpose of listing on continuous basis.
- a. In the event that the acquisition made pursuant to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirer undertakes to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, within the time period mentioned therein or in accordance with such other directions as may be provided by the Stock Exchange. The Acquirer have confirmed that presently he does not have any intention to delist the Target Company from the BSE in the next One year.
  - b. The Acquirer undertake to bring the public shareholding at minimum stipulated level i.e 25% within the time permitted under the Securities Contract (Regulation) Rules, 1957 and in accordance with Regulation 7(4) of the Regulations. This would take place either by way of issue of new shares by the Target Company in compliance with the provisions of the Companies Act, 1956/2013 & Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulation, 2009 and subsequent amendments thereto or by sale of its holdings through the secondary market in a transparent manner.
  - c. Further, the Acquirer shall not be eligible to make a voluntary delisting offer under the SEBI (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months have elapsed from the date of completion of the offer period as per regulation 7(5) of the SEBI (SAST) Regulations, 2011.

### **3.3. Object of the Acquisition/Offer**

- 3.3.1. The Offer is being made pursuant to Share Purchase Agreement between the Acquirer and the Sellers as described in Para 3.1.3 above whereby the Acquirer proposes to acquire 51.67% of the issued, subscribed and paid up share capital of the Target Company from the Sellers.
- 3.3.2. The Open Offer is being made to all the public equity shareholders of HKT for acquiring 26.00% of the total issued, subscribed, paid up and voting capital of the Target Company in accordance with Regulations 3(1) & 4 of the Regulations. After the completion of this Open Offer in terms of SEBI (SAST) Regulations, the Acquirer will achieve substantial equity shares and voting rights accompanied with effective management and control over the Target Company.
- 3.3.3. The prime object of the Offer is to acquire substantial stake & change the control and management of the Target Company. At present, the Acquirer does not have any plans to make major changes 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.

- 3.3.4. As on the date of this DLOO, the Acquirer has not declared any intention in the DPS and in this DLOO to alienate any material assets of the Target Company whether by way of sale, lease, encumbrance or otherwise outside the ordinary course of business. The Acquirer, where he has acquired control over the Target Company, shall be debarred from causing such alienation for a period of two years after the offer period. However, in the event the Target Company is required to so alienate assets despite the intention not having been expressed by the Acquirer in the DPS and DLOO, such alienation shall require a special resolution passed by shareholders of the Target Company, by way of a postal ballot and the notice for such postal ballot shall inter alia contain reasons as to why such alienation is necessary in accordance with Regulation 25(2) of Regulations.

#### **4. BACKGROUND OF THE ACQUIRER**

##### **4.1. KIRIT DOSHI (ACQUIRER)**

- Kirit Doshi aged 53 years residing at 93 Mahagiri CHS Ltd., Ashok Nagar, Near Jain Temple, Kandivali East, Mumbai- 400101, Tel No.:022-66444444/4433 Fax No.: 022-66444400 Email: kiritdoshi@waaree.com.
  - He has completed his Secondary School Certificate Examination (SSC) from Maharashtra Board in the year 1981.
  - He has experience of more than 28 years of experience in field of Engineering Industry, Valves and gauges business.
  - He holds directorship in Waarev Sensors Private Limited, Omntec Waaree ATG Pvt. Ltd., Waaree Solar Energy Private Limited, Sunbless Solar Private Limited, Waaree Industries Private Limited, Waaree PV Technologies Private Limited, Cesare Bonetti India Private Limited and Vedaang Solar Private Limited.
- 4.2. The Acquirer does not hold any equity shares of the Target Company as on the date of this Draft Letter of Offer.

4.3. The Acquirer in respect of this Offer is within the meaning of Regulation 2(1)(a) of the SEBI (SAST) Regulations, 2011

4.4. There are no Person(s) acting in concert (PACs) with the Acquirer in respect of this Offer within the meaning of Regulation 2(1) (q) of the Regulations.

4.5. CA Hardik Dave (Membership No. 144662), M/s. H Dave and Co., Chartered Accountants having office at 122, Ashoka Super Market CHS Ltd, Near Patkar College, S.V. Road, Goregaon (W) Mumbai- 400062, Tel. No.: 022-28728018, Email id.: hardik@hdco.in has certified and confirmed that the individual Net Worth of Mr. Kirit Doshi as on January 15, 2018 is Rs. 12,40,07,697/- (Rupees Twelve Crore Forty Lakhs Seven Thousand Six Hundred and Ninety-Seven Only)

4.6. The Acquirer is not forming part of the present Promoter Group of the Target Company.

4.7. The Acquirer belongs to Waaree Group.

4.8. As on the date of this DLOO, the Acquirer is not on Board of Directors of any listed company.

4.9. As on date of this DLOO, there is/are no nominee(s) of the Acquirer on the Board of Directors of the Target Company.

4.10. The Acquirer undertakes that he will not sell the equity shares of the target company during the "Offer Period" in terms of Regulation 25(4) of the Regulations.

4.11. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11 of the SEBI Act, 1992, as amended (the 'SEBI Act') or any other Regulations made there under.

4.12. The entire equity shares proposed to be acquired under this offer will be acquired by the Acquirer.

#### **5. BACKGROUND OF THE TARGET COMPANY (H.K. TRADE INTERNATIONAL LIMITED)**

5.1. H.K. Trade International Limited was incorporated on June 28, 2013 as "H.K. TRADE INTERNATIONAL

LIMITED” under the provisions of the Companies Act, 2013 (hereinafter referred to as “HKT” or “Target Company”) CIN No.: L25203MH2013PLC244911. The Registered office of the Target Company is situated at Office No. 9, 2nd Floor, Bharat House, Plot no. 104, Bombay Samachar Marg, Near BSE Ltd, Fort, Mumbai – 400001, Maharashtra, India Tel No.: 022-22676700, Email: [info@hktrade.in](mailto:info@hktrade.in) , Website: [www.hktrade.in](http://www.hktrade.in).

- 5.2. The Target Company is engaged in the business of manufacturing, converting and supplying of adhesive tapes and synthetic paper (teslin papers) from jumbo rolls of adhesive tapes and synthetic paper (teslin) respectively. Target Company operates as an important intermediary in the packing material supply chain, whereby they purchase materials such as tapes, labels, papers, etc., in the roll form which is further cut and repacked into smaller rolls.
- 5.3. There has been no change in the name of the Target Company during the three years prior to the date of this Draft Letter of Offer.
- 5.4. As on date of DLOO the authorized share capital of the Target Company is Rs. 2,75,00,000 (Rupees Two Crores Seventy-Five Lakhs Only) divided into 27,50,000 (Twenty-Seven Lakhs Fifty Thousand) Equity Shares of Rs. 10.00/- each. The issued, subscribed and paid up capital of the Company is Rs. 2,63,20,000 (Rupees Two Crore Sixty-Three Lakhs Twenty Thousand Only) comprising of 26,32,000 (Twenty Six Lakhs Thirty Two Thousand) equity shares of Rs.10.00/- each.
- 5.5. The entire issued subscribed & paid up capital of the Target Company are listed on BSE Limited (BSE) (SME Platform). The Scrip code at BSE is 539337. The scrip ID on BSE is “HKT”. The equity shares are currently not suspended from trading on BSE. The equity shares traded on BSE are frequently traded in terms of Regulation 2(1) (j) of the SEBI (SAST) Regulations. As on the date of this Draft Letter of Offer no punitive action has been initiated against the Target Company by BSE.
- 5.6. As on the date of this DLOO, there are no partly paid-up and no forfeited shares. There are no outstanding convertible instruments in the nature of warrants/fully convertible debentures/partly convertible debentures etc. which are convertible into equity shares at any later date.
- 5.7. As on the date of this DLOO, the share capital of the Target Company is as given under:

| <b>Paid-up Equity Shares</b>              | <b>No. of Shares/Voting Rights</b> | <b>% of Shares/Voting Rights</b> |
|---|------------------------------------|----------------------------------|
| Fully Paid-up Equity shares               | 26,32,000                          | 100                              |
| Partly Paid-up Equity shares              | Nil                                | Nil                              |
| Total paid-up Equity shares               | 26,32,000                          | 100                              |
| Total Voting Rights in the Target Company | 26,32,000                          | 100                              |

- 5.8. The composition of the Board of Directors of HKT as on the date of DLOO is as follows:-

| <b>Name of the Director</b> | <b>Designation</b> | <b>Address</b>   | <b>Date of Appointment</b> | <b>DIN</b> |
|-----------------------------|--------------------|--|----------------------------|------------|
| Mahesh Mehta                | Managing Director  | 7, 2nd Floor, Shayam Sadan Bldg. 85 F Road, Marine Drive Mumbai 400002                               | 28/06/2013                 | 00191524   |
| Megha Chandawalla           | Director           | 6/C, Vidya Niwas, Siri Road, Chowpatty Band Stand, Mumbai 400006                                     | 11/03/2015                 | 07118714   |
| Santosh Sawant              | Director           | A/403, Dheeraj Hill, View Tower, Siddhart Nagar, Borivali (East) Mumbai 400066                       | 30/08/2013                 | 06695211   |
| Kamlesh Kapadia             | Director           | 802-B, Landmark Tower,Gd Ambedkar Marg Opp. Wadala Telephone Exchange Naigaon D Adar E Mumbai 400014 | 16/10/2013                 | 06718506   |

- 5.9. There has not been any merger / demerger or spin-off in the Target Company during the past 3 (three) years.

5.10. The key financial information of the Target Company based on the audited financial statements for the financial year ended March 31, 2015, 2016 and 2017 and (Unaudited) financials for the 6 months ended September 30, 2017 are as follows:

| (Rs in Lacs)                                     |               |               |               |               |
|--|---------------|---------------|---------------|---------------|
| Profit & Loss Account for the Year/ Period ended | 30-Sep-17     | 31-Mar-17     | 31-Mar-16     | 31-Mar-15     |
|  | (Unaudited)   | (Audited)     | (Audited)     | (Audited)     |
| Income from Operations                           | 340.73        | 477.26        | 494.91        | 420.11        |
| Other Income                                     | 2.93          | 3.97          | 10.77         | 2.53          |
| <b>Total Income</b>                              | <b>343.66</b> | <b>481.23</b> | <b>505.67</b> | <b>422.64</b> |
| <b>Total Expenditure</b>                         | <b>310.86</b> | <b>461.66</b> | <b>486.72</b> | <b>403.38</b> |
| Profit Before Depreciation, Interest and Tax     | 32.80         | 19.57         | 18.96         | 19.26         |
| Depreciation                                     | 1.76          | 3.54          | 3.53          | 3.43          |
| Interest   | 0.01          | 0.22          | 0.41          | 0.00          |
| <b>Profit/(Loss) Before Tax</b>                  | <b>31.03</b>  | <b>15.82</b>  | <b>15.02</b>  | <b>15.82</b>  |
| Provision for Tax                                | 10.11         | 5.16          | 4.89          | 5.25          |
| Profit/(Loss) for the Year/Period                | 20.92         | 10.66         | 10.13         | 10.58         |
| Adjustment for Prior Period Expenses             | 0.00          | 0.00          | 0.00          | 0.00          |
| <b>Profit/(Loss) After Tax &amp; Adjustment</b>  | <b>20.92</b>  | <b>10.66</b>  | <b>10.13</b>  | <b>10.58</b>  |

| (Rs in Lacs except EPS)                              |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|
| Balance Sheet as on                                  | 30-Sep-17        | 31-Mar-17        | 31-Mar-16        | 31-Mar-15        |
|  | (Unaudited)      | (Audited)        | (Audited)        | (Audited)        |
| <b>Sources of Funds</b>                              |                  |                  |                  |                  |
| Paid up Share Capital                                | 263.20           | 263.20           | 263.20           | 136.00           |
| Share Premium Account                                | 100.08           | 100.08           | 88.72            | 9.69             |
| Reserves and Surplus (Excluding Revaluation Reserve) | 53.39            | 32.47            | 21.81            | 11.68            |
| Miss. Exp not written off                            | 0.00             | 0.00             | 11.36            | 0.00             |
| <b>Net Worth</b>                                     | <b>416.67</b>    | <b>395.75</b>    | <b>385.09</b>    | <b>157.37</b>    |
| Non-Current Liabilities                              | 0.00             | 0.00             | 0.00             | 0.00             |
| Current Liabilities                                  | 151.13           | 21.52            | 69.23            | 59.72            |
| <b>Total</b>   | <b>567.80</b>    | <b>417.27</b>    | <b>454.32</b>    | <b>217.09</b>    |
| <b>Uses of Funds</b>                                 |                  |                  |                  |                  |
| Fixed Assets   | 13.53            | 15.29            | 18.83            | 16.40            |
| Less: Revaluation Reserve                            | 0.00             | 0.00             | 0.00             | 0.00             |
| Net Fixed Assets                                     | 13.53            | 15.29            | 18.83            | 16.40            |
| Capital Work in Progress                             | 0.00             | 0.00             | 0.00             | 0.00             |
| Investments  | 0.00             | 0.00             | 0.00             | 0.00             |
| Other Non-Current Assets                             | 3.16             | 3.00             | 3.78             | 1.48             |
| Current Assets                                       | 551.12           | 398.98           | 431.72           | 199.20           |
| <b>Total</b>   | <b>567.80</b>    | <b>417.27</b>    | <b>454.32</b>    | <b>217.09</b>    |
| <b>Other Financial Data</b>                          | <b>30-Sep-17</b> | <b>31-Mar-17</b> | <b>31-Mar-16</b> | <b>31-Mar-15</b> |
|  | (Unaudited)      | (Audited)        | (Audited)        | (Audited)        |
| Dividend (%)   | 0.00             | 0.00             | 0.00             | 0.00             |
| Earnings Per Share (Rs.)                             | 0.79             | 0.41             | 0.38             | 0.78             |
| Return on Net Worth (%)                              | 5.02%            | 2.69%            | 2.63%            | 6.72%            |
| Book Value Per Share (Rs.)                           | 15.83            | 15.04            | 14.63            | 11.57            |

(The above financials are certified by CA BANKIM JAIN (Membership No. 139447), PARTNER of M/s. R T JAIN & CO LLP Chartered Accountants, having its Office at Lotus Building, 2nd Floor, 59 Mohamedali Road, Mumbai -400003 Tel No: 022-23465218 /022-23464955 vide his certificate dated January 29, 2018)

5.11. There are no major contingent liabilities as on September 30, 2017.

5.12. Pre and Post-Offer shareholding pattern of the Target Company after the completion of the Offer Formalities (assuming full acceptances) is as per the following table:

| Shareholders' Category  | Shareholding & voting rights prior to the agreement / acquisition & offer |                | Shares / voting rights agreed to be acquired which triggered off the Regulations |               | Shares/ voting rights to be acquired in open offer (assuming full acceptances) |               | Shareholding / voting rights after the acquisition and offer (assuming full acceptances) i.e. (A) + (B) + (C) = (D) |                |
|---|---|----------------|--|---------------|--|---------------|---|----------------|
|   | (A)   |                | (B)  |               | (C)  |               | (D)   |                |
|   | No  | %              | No   | %             | No   | %             | No  | %              |
| <b>(1) Promoter Group</b>                                     |   |                |  |               |  |               |   |                |
| <b>a. Parties to agreement, if any</b>                        |   |                |  |               |  |               |   |                |
| Reema Naresh Shah   | 5000  | 0.19%          | -  | -             | -  | -             | -   | -              |
| Mahesh Indulal Mehta  | 580000  | 22.04%         | -  | -             | -  | -             | -   | -              |
| Chintan Mahesh Mehta  | 55000   | 2.09%          | -  | -             | -  | -             | -   | -              |
| Daksha Mahesh Mehta   | 265000  | 10.07%         | -  | -             | -  | -             | -   | -              |
| Mahesh I Mehta HUF  | 52500   | 1.99%          | -  | -             | -  | -             | -   | -              |
| Jatin Kantilal Shah   | 200000  | 7.60%          | -  | -             | -  | -             | -   | -              |
| Knowell Enterprises Private Limited                           | 202500  | 7.69%          | -  | -             | -  | -             | -   | -              |
| <b>b. Promoters other than a. above</b>                       |   |                |  |               |  |               |   |                |
|   | -   | -              | -  | -             | -  | -             | -   | -              |
| <b>Total (1) (a+b)</b>  | <b>1360000</b>  | <b>51.67%</b>  | -  | -             | -  | -             | -   | -              |
| <b>(2) Acquirer</b>   |   |                |  |               |  |               |   |                |
| Kirit Doshi   | -   | -              | 1360000  | 51.67%        | 684320   | 26.00%        | 2044320   | 77.67%         |
| <b>Total (2)</b>  | -   | -              | <b>1360000</b>   | <b>51.67%</b> | <b>684320</b>  | <b>26.00%</b> | <b>2044320</b>  | <b>77.67%</b>  |
| <b>(3) Parties to agreement other than (1) (a)&amp; (2)</b>   |   |                |  |               |  |               |   |                |
|   | -   | -              | -  | -             | -  | -             | -   | -              |
| <b>Total (3)</b>  | -   | -              | -  | -             | -  | -             | -   | -              |
| <b>(4) Public (other than parties to agreement, Acquirer)</b> |   |                |  |               |  |               |   |                |
| a) FIs/MFs/FIIs/Banks   | -   | -              | -  | -             | -  | -             | -   | -              |
| b) Body Corporate   | -   | -              | -  | -             | -  | -             | 587680  | 22.33%         |
| c) Individual   | 1247946   | 47.41%         | -  | -             | -  | -             |   |                |
| d) Others   | 24054   | 0.91%          | -  | -             | -  | -             |   |                |
| <b>Total (4) (a+b+c+d)</b>                                    | <b>1272000</b>  | <b>48.33%</b>  | -  | -             | -  | -             | <b>587680</b>   | <b>22.33%</b>  |
| <b>Grand Total (1+2+3+4)</b>                                  | <b>2632000</b>  | <b>100.00%</b> | -  | -             | -  | -             | <b>2632000</b>  | <b>100.00%</b> |

(Source: www.bseindia.com)

\*Post completion of Open Offer the Acquirer will be reclassified as promoter subject to shareholders approval in the General Meeting.

5.13. As per shareholding pattern, the number of shareholders in HKT in public category as on December 31, 2017 is 43 (Forty Three).

5.14. Details of Compliance Officer is as under:

**Name** : Mahesh Mehta  
**Address** : Office No. 9, 2nd Floor, Bharat House, Plot no. 104, Bombay Samachar Marg, Near BSE Ltd, Fort, Mumbai – 400001, Maharashtra, India  
**Contact No.** : +91-22-22676700  
**Email** : [info@hktrade.in](mailto:info@hktrade.in)

(Source: All the data about Target Company is provided/certified by H.K. Trade International Limited & information available in public domain)

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of Offer Price

6.1.1. The entire issued, subscribed and paid up equity shares of the Target Company are listed on BSE Ltd (BSE)

(SME Platform). The scrip code on BSE is 539337. The scrip ID on BSE is “HKT”.

6.1.2. The trading turnover of the equity shares of the Target Company during Twelve calendar months preceding the month of PA (March 2017- February 2018) on BSE is detailed below:

| Name of the Stock Exchange | Total no. of equity shares during the 12 calendar months prior to March, 2018 | Total no. of equity share listed | Traded Turnover (in terms of % to total listed shares) |
|----------------------------|---|----------------------------------|--|
| <b>BSE Ltd</b>             | 1,184,000   | 2,632,000                        | 44.98%   |

(Source: [www.bseindia.com](http://www.bseindia.com))

6.1.3. The Offer Price of Rs. 20.00/- (Rupees Twenty Only) per equity share is justified in terms of Regulation 8 of Regulations and the same has been determined after considering the following facts:

| <b>Calculation as per Regulation 8(2) of SEBI (SAST) Regulation 2011</b> |   |              |
|--|---|--------------|
| a.   | Highest Negotiated Price under the Acquisition Agreement attracting the obligation to make an Open Offer  | 20.00        |
| b.   | Volume weighted average price paid or payable by the Acquirer for acquisition during 52 weeks immediately preceding the date of Public Announcement | NA           |
| c.   | Highest Price paid or payable by the Acquirer for any acquisition during 26 weeks immediately preceding date of Public Announcement.                | NA           |
| d.   | Volume weighted average market price for a period of 60 trading days preceding the date of Public Announcement, if shares are frequently traded     | Not Traded   |
|  | <b>Offer Price (Highest of the above)</b>   | <b>20.00</b> |

- 6.1.4. In view of above parameters considered and in the Manager to the Offer confirms that the offer price of Rs. 20.00/- (Rupees Twenty Only) per equity share is justified in terms of Regulation 8(2) of SEBI (SAST) Regulations, 2011.
- 6.1.5. No adjustment has been carried out in the Offer Price as there were no corporate actions as on date of this DLOO.
- 6.1.6. The Acquirer shall disclose during the tendering period every acquisition made by him of any equity share of the Target Company to the stock exchange and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6) of Regulations.
- 6.1.7. Irrespective of whether a competing offer has been made, the Acquirer may make upward revision(s) to the offer price, and subject to the other provisions of these regulations, to the number of shares sought to be acquired under the open offer, at any time prior to the commencement of the last three working days of opening of the tendering period i.e. up to May 11, 2018.
- 6.1.8. If the Acquirer acquires or agrees to acquire any shares or voting rights in the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. In case of revision in the Offer price and/or no. of shares sought to be acquired under Open Offer, shareholders would be notified.
- 6.1.9. If the Acquirer acquire equity shares of the Target Company during the period of twenty-six weeks after the 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 shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition in terms of Regulation 8(10) of Regulations. However, no such difference shall be paid in the event that such acquisition is made under an Open Offer under the SEBI (SAST) Regulations, 2011 or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchange and not being negotiated acquisition of shares of the Target Company in any form.
- 6.1.10. In the event that the number of Equity Shares validly tendered by the Public Shareholders of the Target Company under the Offer is higher than the Offer Size, the Equity Shares received from the public shareholders shall be accepted on a proportionate basis, in consultation with the Manager to the Offer.
- 6.1.11. 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 is permitted to revise the Offer Price upward at any time up to three (3) working days prior to the commencement of the Tendering Period in accordance with Regulation 18(4) of Regulations. 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 Corrigendum in the same newspaper 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.

## **6.2. Financial Arrangements**

- 6.2.1. Assuming full acceptance, the total requirement of funds for the Open Offer would be Rs. 1,36,86,400/- (Rupees One Crore Thirty-Six Lakhs Eighty Six Thousand Four Hundred Only). The Acquirer has already made firm arrangements for the financial resources required to implement the Open Offer.
- 6.2.2. In accordance with Regulation 17 of the Regulations, the Acquirer has opened an Escrow Account under the name and title of “*HKT OPEN OFFER ESCROW ACCOUNT- 250549750404*” with IndusInd Bank Ltd – Mumbai (“Escrow Bank”) and made a deposit of Rs. 1,00,00,000/- (Rupees One Crores Only) being more than 25.00% of the total consideration payable in accordance with the SEBI (SAST) Regulations, 2011.
- 6.2.3. In terms of Escrow Agreement between the Acquirer the Manager to the Offer and the Escrow Bank (“Escrow Agreement”), Manager to the Offer has been solely authorized to operate and to realize the value lying in the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.4. CA Hardik Dave (Membership No. 144662), M/s. H Dave and Co., Chartered Accountants having office at 122, Ashoka Super Market CHS Ltd., Near Patkar College, SV Road, Goregaon (W) Mumbai- 400062. Tel. No.: 022-28728018 Email.: hardik@hdco.in has certified vide certificate dated March 21, 2018 that the Acquirer has adequate financial resources available for meeting its obligation under the offer in full as per Regulation 25(1) and 27(1)(b) of SEBI (SAST) Regulations, 2011.
- 6.2.5. Based on the above and in light of the escrow arrangements set out above, the Manager to the offer, Intensive Fiscal Services Private Limited confirms that the Acquirer have adequate resources to meet the financial requirement of the Offer in terms of Regulations 25(1), 27(1) (a) & (b) of the SEBI (SAST) Regulations. The Acquirer has made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations. The Acquirer collectively has sufficient net worth to meet the Open Offer fund requirement.
- 6.2.6. In case of revision in the Offer Price, the Acquirer will further make Demand Deposit with the bank of difference amount between previous Offer fund requirements and revised Offer fund requirements to ensure compliance with Regulations 17(2) & 18(5) (a) of the SEBI (SAST) Regulations, 2011.

## **7. TERMS AND CONDITIONS OF THE OFFER**

### **7.1. OPERATIONAL TERMS AND CONDITIONS**

- 7.1.1 This Offer is not conditional upon any minimum level of acceptance i.e. it is not a conditional Offer.
- 7.1.2 The Offer is subject to the terms and conditions set out in this Draft Letter of Offer, the Form of Acceptance, the PA and the DPS and any other Public Announcement 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) will be 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. May 03, 2018. 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 Letter of Offer to any member entitled to this Open Offer or non-receipt of the 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 30, 2018. Alternatively, The Letter of Offer along with 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 This Offer is not subject to the receipt of any statutory and other approvals as mentioned under paragraph 7.3 of this Draft Letter of Offer. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.7 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).
- 7.1.8 The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free from and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividend, bonus and rights declared thereafter.
- 7.1.9 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.
- 7.1.10 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 and does not result in non-marketable lots, provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of Target Company is 1 (One) Equity Share.
- 7.1.11 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.
- 7.1.12 Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.1.13 In terms of Regulations 18(9) of the Regulations, the Public Shareholders who tender their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

#### **7.1.14. 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.

#### **7.2. ELIGIBILITY FOR ACCEPTING THE OFFER**

All the Equity Shareholders registered or unregistered, (except Acquirer & Sellers) who own fully paid equity shares of the Target Company any time before the closure of the Open Offer are eligible to participate in the Open Offer. However, the Letter of Offer will be sent to those shareholders whose names appear on the Register of Members of the Target Company at the close of business hours on the Identified Date i.e. May 03, 2018.

#### **7.3. STATUTORY AND OTHER APPROVALS**

- 7.3.1 As of date, to the best of knowledge of the Acquirer, there are no statutory approvals required to implement the Offer. If any regulatory or statutory approval is being required at a later date before the closure of the Offer, the Offer shall be subject to all such approvals and the Acquirer shall make the necessary applications for such approval.
- 7.3.2 As on the date of this Draft Letter of Offer, there are no statutory approvals required to acquire the equity

shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirer will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. 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 the DPS has been published and such public announcement will also be sent to SEBI, BSE and the registered office of the Target Company.

- 7.3.3 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, 2011, 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 have 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. Further, in case the delay occurs on account of willful default by the Acquirer in obtaining any statutory approvals in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.
- 7.3.4 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.
- 7.3.5 The Acquirer shall ensure compliance with Regulation 18(11) of SAST Regulations, 2011 with regard to RBI approval under FEMA Regulations for shares tendered by non-resident shareholders.

## **8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER**

- 8.1 The Open Offer will be implemented by the Acquirer subject to applicable law through Stock Exchange Mechanism made available by BSE Limited (BSE) in the form of separate window (Acquisition Window) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and circular no CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI and on such terms and conditions as may be permitted by law from time to time.
- 8.2 BSE Ltd shall be the Designated Stock Exchange for the purpose of tendering Shares in the Open Offer.
- 8.3 The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchange in the form of a separate window (Acquisition Window). The details of the platform will be as specified by BSE from time to time.
- 8.4 The Acquirer have appointed KM Jain Stock Brokers Private Limited ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the tendering period. The contact details of the buying broker are as mentioned below:
- Name** : K M Jain Stock Brokers Private Limited  
**Address** : 631,P.J.Towers,6th Floor, Dalal Street ,Fort, Mumbai-400001  
**Contact Person** : Mr. Anand Jain  
**Telephone No.** : 022-30282272/ 73/ 74  
**E-mail Id** : kmjpl@mtnl.net.in
- 8.5 All Public Shareholders who desire to tender their Equity Shares under the Offer would have to intimate their respective stock brokers ("**Selling Broker**") within the normal trading hours of the secondary market during the Tendering Period.
- 8.6 Separate Acquisition Window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares.



- 8.7 The cumulative quantity tendered shall be displayed on the Stock Exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
- 8.8 Public Shareholders can tender their Equity Shares only through a broker with whom the Public Shareholder is registered as a client (KYC compliant).

**8.9 Procedure for tendering Equity Shares held in Dematerialised Form:**

- a. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Seller Member indicating details of Shares they wish to tender in Open Offer.
- b. The Selling Broker shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation before placing the bids/orders and the same shall be validated at the time of order entry.
- c. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d. The Seller Member would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of the BSE. Before placing the bid, the Shareholder would be required to transfer the tendered Equity Shares to the special account of Indian Clearing Corporation Limited (the “**ICCL**”), by using the early pay in mechanism prior to placing the bid by the Seller Member.
- e. The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by BSE/Clearing Corporation, before the opening of the Offer.
- f. Upon placing the order, the Seller Member shall provide transaction registration slip (“**TRS**”) generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DPID, Client ID, no. of Equity Shares tendered, etc.
- g. The Equity Shareholders will have to ensure that they keep a DP/Demat Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.
- h. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in this Offer. Equity Shares that are the subject of litigation, wherein the Public Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Offer. The Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- i. The Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement (“**FOA**”). Public Shareholders holding Equity Shares in physical mode will be sent Form of Acceptance-cum Acknowledgement along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance-cum-Acknowledgement. Form of Acceptance- Acknowledgement will not be sent to the Public Shareholders holding Equity Shares in demat mode.
- j. All non-resident Shareholders (i.e. Shareholders not residing in India) holding physical and/or demat equity shares and all resident Shareholders (i.e. Shareholders residing in India) holding equity shares in physical mode are mandatorily required to fill the FOA. The non-resident Shareholders holding equity shares in demat mode are required to send the FOA along with the required documents to the Registrar to the Offer at their address. The Shareholders (resident and non-resident) holding equity shares in physical mode are required to send the FOA along with the required documents to their respective Selling Broker who shall forward these documents to the Registrar to the Offer.

**8.10 Procedure for tendering Equity Shares held in Physical Form:**

- a. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below:
  - i. Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
  - ii. Original share certificate(s).
  - iii. Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
  - iv. Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
  - v. Any other relevant document such as Power of Attorney, corporate authorization (including board resolution/ specimen signature).
  - vi. Self-attested copy of address proof such as valid Aadhar Card, Voter ID and Passport.
  - vii. Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased
  - viii. Necessary corporate authorizations, such as Board Resolutions etc, in case of companies.
  - ix. In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.
- b. The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Seller Member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.
- c. The Seller Member(s) / Investor has to deliver the shares & documents along with TRS to the RTA. Physical Share Certificates to reach RTA within 2 days of bidding by Seller Member.
- d. Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- e. In case any person has submitted Equity Shares in physical form for dematerialization, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before Closure of the Tendering period.

#### **8.11 Procedure for tendering the shares in case of non-receipt of Letter of Offer**

- a. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
  - **In case the Equity Shares are in dematerialised form:** An Eligible Person may participate in the Offer by approaching their Selling Member and tender Shares in the Open Offer as per the procedure mentioned in point 8.9 above.
  - **In case the Equity Shares are in physical form:** An Eligible Person may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, the DPS and in this Draft Letter of Offer. They can participate by submitting an application to the Selling Member on plain paper giving details regarding their shareholding and relevant documents mentioned in paragraph 8.10 of this Draft Letter of Offer. The Selling Member(s) / Investor have to deliver the Physical Share certificate & other relevant documents along with TRS to the Registrar and Transfer Agent (“RTA”) by registered post, speed post or courier or hand delivery. Physical Share Certificates & other relevant documents will have to reach RTA within 2 days from the closing of the Open Offer. The envelope should be scribed as “HKT – Open Offer 2018”.

In case of orders for physical shares, verification of physical certificates shall be done by the RTA on a daily basis and till such time the Recognised Stock Exchanges shall display such quantity as “unconfirmed

physical bids”. As and when the RTA confirms the records, such bids will then be treated as “confirmed bids.” Please note that physical Equity Shares will not be accepted unless the complete set of documents is submitted.

#### **8.12 Settlement Process**

- a. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.
- b. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.
- c. Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirer.
- d. In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released directly to the Public Shareholders.
- e. The Seller Broker(s) would then issue contract note for the shares accepted in the Offer.
- f. Any excess physical shares, to the extent tendered but not accepted, will be returned back to the Public Shareholder(s).
- g. The payment will be made by the Buying Broker for settlement. For Equity Shares accepted under the Offer, the Public Shareholder will receive funds payout in their settlement bank account.
- h. The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder
- i. Public Shareholders who intend to participate in the Offer should consult their respective Seller Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Broker upon the Public Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholder.

8.13 Notwithstanding the details given above, all payments will be made to Public Shareholders subject to compliance with prevailing tax laws.

8.14 Where the number of equity shares tendered 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.

8.15 A Letter of 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 May 03, 2018 (“**Identified Date**”).

8.16 The Letter of Offer along with the Form of Acceptance-cum-Acknowledgement would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and shareholders can also apply by downloading such form from the said website.

## 9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the Office of the Manager to the Offer, Intensive Fiscal Services Private Limited, 914, Raheja Chambers, Free Press Journal Marg, Nariman Point, Mumbai-400021, from 10.00 hours to 17.00 hours on any working day, except Saturdays, Sundays and Holidays from the date of opening of the Offer until the closure of the Offer:

- 9.1 Certificate of Incorporation, Memorandum & Articles of Association of H.K. Trade International Limited.
- 9.2 Certificate issued by CA Bankim Jain (Membership No. 139447), Partner of M/s. R T JAIN & CO LLP Chartered Accountants dated January 29, 2018 certifying the financials of H.K. Trade International Limited.
- 9.3 Certificate issued by CA Hardik Dave (Membership No. 144662), M/s. H Dave and Co., Chartered Accountants having office at 122, Ashoka Super Market CHS Ltd, Near Patkar College, S.V. Road, Goregaon (W) Mumbai- 400062, Tel. No.: 022-28728018, Email id.: hardik@hdco.in , certifying vide certificate dated March 21, 2018 that Acquirer have adequate financial resources available for meeting its obligation under the offer in full as per Regulation 25(1) and 27(1)(b) of SEBI (SAST) Regulations, 2011.
- 9.4 Certificate issued by CA Hardik Dave (Membership No. 144662), M/s. H Dave and Co., Chartered Accountants having office at 122, Ashoka Super Market CHS Ltd, Near Patkar College, S.V. Road, Goregaon (W) Mumbai- 400062, Tel. No.: 022-28728018, Email id.: hardik@hdco.in dated January 15, 2018, certifying the Networth of the Acquirer.
- 9.5 Audited Annual Reports of the Target Company for the year ended March 31st, 2015, March 31st, 2016 & March 31st, 2017 and Unaudited Financials for 6 months period ended September 30, 2017.
- 9.6 Certificate from IndusInd Bank, Mumbai, Fort confirming the amount kept in the escrow account.
- 9.7 Copy of Public Announcement dated March 21, 2018, published copy of Detailed Public Statement published on March 28, 2018.
- 9.8 A copy of the recommendation dated [●] made by the Committee of Independent Directors (IDC) of the Target Company.
- 9.9 Copy of the Memorandum of Understanding between the Acquirer and Sharex Dynamic (India) Pvt Limited (Registrar to the Offer).
- 9.10 Copy of the Memorandum of Understanding between the Acquirer and Intensive Fiscal Services Private Limited (Manager to the Offer).
- 9.11 SEBI Observation letter with reference number [●] Dated [●] received from SEBI in term of Regulation 16(4) of the Regulations.

## **10. DECLARATION**

10.1 The Acquirer has made all reasonable inquiries, accept responsibility for, and confirm that this Draft Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Draft Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

10.2 The Acquirer accepts full responsibility for the information contained in this Draft Letter of Offer and also for the fulfillment of the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 2011. All information contained in this document is as on date of the Draft Letter of Offer, unless stated otherwise.

10.3 The Acquirer hereby declares and confirm that all the relevant provisions of Companies Act, 2013 and all the provisions of SEBI (SAST) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956/2013 and SEBI (SAST) Regulations, 2011.

**On behalf of Acquirer**

**Sd/-  
Kirit Doshi**

**Place:** Mumbai  
**Date:** April 06, 2018