

LETTER OF OFFER ("LOF")

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as Equity Shareholder(s) of Danube Industries Limited ("Target Company"). If you require any clarifications about the action to be taken, you may consult your stock broker or an investment consultant or the Manager to the Offer (as defined herein below) or the Registrar to the Offer as defined herein below. In the event you have sold your Equity Shares in the Target Company, please hand over this Letter of Offer to the purchaser of the Equity Shares or the member of the stock exchange through whom the said sale was effected.

OPEN OFFER BY

Mr. Sunil Rajdev ("Acquirer")

Address:- 301, Third Floor, Earth-12, Ambali Bopal Road, Opp. Landmark Hotel, B/h Sanidhya Bungalows, Ahmedabad, Gujarat- 380058;

Tel: +91 079 40030495, **Email:** infomedia_11111@yahoo.co.in

To the Shareholder(s) of

DANUBE INDUSTRIES LIMITED ("Target Company")

Registered Office: 703-B, Synergy Tower, Opp. Commerce House, near Vodafone House, Corporate Road, Prahladnagar, Ahmedabad- 380015, Gujarat, India

Tel: +91079 40030495; **Email:** dwekamindustries@gmail.com;



Website: www.dwekamindustriesltd.co.in.

Corporate Identification Number: L21015GJ1980PLC097420

To acquire upto **15,00,000** (Fifteen Lakhs Only) Equity Shares of the face value of ₹ 10 each ("Offer Shares"), representing **30%** of the total Voting Share Capital of the Target Company on a fully diluted basis, as of the tenth working day from the closure of the tendering period of the open offer ("Voting Share Capital"), from the eligible shareholders of the Target Company for cash at a price of ₹ **5.50/-** per Equity Share.

Please Note:

1. This Open Offer is being made by the Acquirer pursuant to Regulation 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("Takeover Regulations").
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of Takeover Regulations.
3. **This Open Offer is not a competing offer in terms of regulation 20 of the Takeover Regulations.**
4. **There has been no competing offer as on the date of this Letter of Offer.**
5. To the best of the knowledge of the Acquirer, there are no statutory approvals required for the purpose of this Offer. If any statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such statutory approvals.
6. If there is any upward revision in the Offer Price or the number of Shares sought to be acquired under the Open Offer by the Acquirer, at any time prior to the commencement of the last one working day before the commencement of the tendering period i.e. upto Tuesday, April 09, 2019, the same would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement appeared. Such revision in the Open Offer Price would be payable by the Acquirer for all the shares validly tendered anytime during the Tendering Period of the Open Offer.
7. A copy of the Public Announcement, the Detailed Public Statement and Letter of Offer are also available on SEBI's website: www.sebi.gov.in.

 SAFFRON CAPITAL ADVISORS PRIVATE LIMITED 605, Sixth Floor, Centre Point, J .B. Nagar, Andheri (East), Mumbai - 400 059, India Tel. No.: +91 22 4082 0914 Fax No.: +91 22 4082 0999 Email id: openoffers@saffronadvisor.com Website: www.saffronadvisor.com Investor grievance: investorgrievance@saffronadvisor.com SEBI Registration Number: INM000011211 Validity: Permanent Contact Person: Amit Wagle/ Shikha Jain	 PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED Unit no. 9, Shiv Shakti Ind. Estate, J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai -400 011, India; Tel. No.: +91 22-2301 2518 / 2301 6761; Fax No.: NA E-mail: support@purvashare.com Website: www.purvashare.com SEBI Registration Number: INR000001112 Validity: Permanent Contact Person: Rajesh Shah
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SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Day and Date [Original]	Day and date [Revised]
Public Announcement (PA)	Tuesday, January 22, 2019	Tuesday, January 22, 2019
Publication of DPS in the newspapers	Friday, January 25, 2019	Friday, January 25, 2019
Filing of the draft letter of offer with SEBI	Tuesday, February 05, 2019	Tuesday, January 29, 2019
Last date for a competitive bid	Wednesday, February 20, 2019	Friday, February 15, 2019
Last date for SEBI observations on draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Wednesday, February 27, 2019	Monday, March 25, 2019
Identified Date*	Friday, March 01, 2019	Wednesday, March 27, 2019
Letter of Offer to be dispatched to shareholders	Monday, March 11, 2019	Wednesday, April 03, 2019
Last date for revising the Offer price/ number of shares	Friday, March 15, 2019	Tuesday, April 09, 2019
Last Date by which the committee of the independent directors of the Target Company shall give its recommendation	Thursday, March 14, 2019	Monday, April 08, 2019
Date of publication of Offer Opening Public Announcement	Friday, March 15, 2019	Tuesday, April 09, 2019
Date of commencement of Tendering Period (Offer Opening Date)	Monday, March 18, 2019	Wednesday, April 10, 2019
Date of Expiry of Tendering Period (Offer Closing Date)	Monday, April 01, 2019	Thursday, April 25, 2019
Last Date for completion of all requirements including payment of consideration	Monday, April 15, 2019	Friday, May 10, 2019

* Identified Date is only for the purpose of determining the names of the Shareholders of the Target Company as on such date to whom the Letter of Offer would be sent. It is clarified that all the shareholders holding Equity Shares of the Target Company (registered or unregistered) (except the Acquirer and Promoter group members of Target Company) are eligible to participate in this Offer any time before the closure of this Offer.

This schedule of activities is tentative and is subject to SEBI's review process and any changes that may be required for any reason, including, but not limited to, delay in receipt of approvals (if any) or comments from regulatory authorities (if any)

RISK FACTORS

I. RISK FACTORS RELATING TO THE TRANSACTION

The Offer is subject to receipt of approvals as more particularly set out in paragraph VII (B) of this Letter of Offer.

To the best of the knowledge and belief of the Acquirer, there are no statutory or regulatory approvals required by the Acquirer to complete this Open Offer. However, in case of any statutory or regulatory approvals being required by the Acquirer at a later date, this Open Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such approvals. In case of delay in receipt of any such statutory or regulatory approvals, as per Regulation 18(11) of the Takeover 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 Open Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for delay beyond 10th Working Day from the date of Closure of Tendering Period, at such rate as may be specified by SEBI. Where the statutory or regulatory approvals extend to some but not all the Public Shareholders, the Acquirer shall have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory or regulatory approvals are required in order to complete this Offer in respect of such Public Shareholders. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 17(9) of the Takeover Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.

In terms of and in accordance with Regulation 23(1) of the Takeover Regulations, if the conditions precedent and other conditions as stated in paragraph VII (B) are not satisfactorily complied with for reasons beyond the control of the Acquirer, the Open Offer would stand withdrawn. The Acquirer reserves the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the Takeover Regulations in the event the requisite statutory approvals that may be necessary at a later date are refused.

If at a later date, any other statutory or regulatory or other approvals / no objections are required, the Open Offer would become subject to receipt of such other statutory or regulatory or other approvals / no objections.

II. RISK RELATING TO THE OFFER

This Open Offer is an offer to acquire not more than 30% of the Voting Share Capital of the Target Company from the Eligible Shareholders. In the case of Equity Shares tendered in the Open Offer by the Eligible Shareholders are more than the Offer Size, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the Eligible Shareholders in the Open Offer will be accepted.

In the event that either: (a) regulatory or statutory approvals are not received in time, (b) there is any litigation leading to a stay/injunction on the Offer or that restricts/restrains the Acquirer from performing his obligations hereunder, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Eligible Shareholders whose Equity Shares are accepted under the Offer as well as the return of Equity Shares not accepted under the Offer by the Acquirer may get delayed. In case the delay is due to non-receipt of statutory approval(s), then in accordance with Regulation 18(11) of the Takeover Regulations, SEBI may, if satisfied that non-receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer agreeing to pay interest to the validly tendering Shareholders.

The Equity Shares tendered in the Offer and documents will be held in the special account of the Clearing Corporation till the process of acceptance of tenders and the payment of consideration is completed. The Shareholders will not be able to trade in such Equity Shares during such period. During such period, there may be fluctuations in the market price of the Equity Shares. The Acquirer makes no assurance with respect to the market price of the Equity Shares both during the period that the Offer is open and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in this Letter of Offer / Draft Letter of Offer / Detailed Public Statement / Public Announcement and anyone placing reliance on any other source of information (not released by the Acquirer, or the Manager to the Offer) would be doing so at his/her/their own risk.

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 the Equity Shares in this Offer and dispatch of consideration are delayed.

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.

The 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.

This Offer is subject to completion risks as would be applicable to similar transactions.

III. RISK RELATING TO ACQUIRER AND THE TARGET COMPANY

Acquirer makes no assurance with respect to the continuation of the past trend in the financial performance of the Target Company.

The Acquirer cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and the Acquirer 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.

The risk factors set forth above are limited to the Offer and not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer, but are only indicative and are not exhaustive. The risk factors do not relate 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 the participation in the Offer by a Shareholder. The Shareholders are advised to consult their stockbroker, or tax advisor or investment consultant, if any, for further risks with respect to their participation in the Offer.

INDEX

Sr. No.	Description	Page No.
1.	Key Definitions	06
2.	Disclaimer Clause	08
3.	Details of the Offer	09
4.	Object of the Acquisition/Offer	11
5.	Background of the Acquirer	12
6.	Background of the Target Company	14
7.	Terms & Conditions of the Offer	21
8.	Procedure for Acceptance and Settlement of the Offer	24
9.	Documents for Inspection	28
10.	Declaration by the Acquirer	29

I. KEY DEFINITIONS

Acquirer	Mr. Sunil Rajdev aged 48 years, S/o Mr. Hukumat Rajdev is residing at 301, Third Floor, Earth-12, Ambali Bopal Road, Opp. Landmark Hotel, B/h Sanidhya Bungalows, Ahmedabad, Gujarat- 380058
Board of Directors	Board of directors of the Target company
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Companies Act	The Companies Act, 1956 and the Companies Act, 2013 (to the extent applicable) as amended, substituted or replaced from time to time.
Depositories	CDSL and NSDL
Detailed Public Statement/ DPS	Detailed Public Statement dated January 24, 2019, issued by the Manager to the Offer, on behalf of the Acquirer, in relation to the Offer and published in all editions of Financial Express (English), Jansatta (Hindi), Mumbai Lakshadeep (Marathi) and Ahmedabad Express (Regional Language newspaper (Gujarati) where the registered office of the Target Company is located) on January 25, 2019 in accordance with the Regulation 4 read with Regulations 13(4), 14 and 15(2) and other applicable regulations of the Takeover Regulations.
DP	Depository participant
DTAA	Double Taxation Avoidance Agreement
Equity Share(s)/ Share(s)	The fully paid up equity share(s) of the Target Company having a face value of ₹ 10 (Rupees ten) per equity share
Equity Share Capital / Voting Share Capital	The Issued, Subscribed and paid up Share Capital of the Target Company is ₹ 5,00,00,000 comprising of 50,00,000 Equity Shares of ₹ 10 each.
Escrow Agreement	Escrow Agreement entered between the Acquirer, Escrow Agent and Manager to the Offer
Escrow Bank / Escrow Agent	ICICI Bank Limited
FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
FII(s)	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as Foreign Portfolio Investors, such Foreign Portfolio Investors
Identified Date	Wednesday, Wednesday, March 27, 2019, i.e., the date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent
Letter of Offer/ LOF	The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer
LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
MPSEL	Madhya Pradesh Stock Exchange Limited
Manager to the Offer	Saffron Capital Advisors Private Limited
MOU	Memorandum of Understanding
NECS	National Electronic Clearing System
NEFT	National Electronic Funds Transfer
NRI	Non-Resident Indian as defined in Foreign Exchange Management (Deposit) Regulations, 2000, as amended
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000

Offer/Open Offer	The Offer being made by the Acquirer for acquiring upto 15,00,000 (Fifteen Lakhs Only) Equity Shares representing 30% of the Voting Share Capital, from the Public Shareholders at the Offer Price payable in cash
Offer Consideration	The maximum consideration payable under this Offer, assuming full acceptance, is ₹ 82,50,000 (Rupees Eighty Two Lakhs Fifty Thousand only).
Offer Period	Period commencing from January 22, 2019 till the date on which the payment of consideration to the Public Shareholders who have accepted the Offer is made, or the date on which Offer is withdrawn, as the case may be.
Offer Price	₹ 5.50/- (Rupees Rupees Five and Fifty Paise only) per Equity Share
Offer Size	Up to 15,00,000 (Fifteen Lakhs Only) Equity Shares representing 30% of the Voting Share Capital of the Target Company
Public Announcement/PA	Public Announcement of the Open Offer made by the Manager to the Offer on behalf of the Acquirer on January 22, 2019 in accordance with Takeover Regulations
Promoter and Promoter Group members	<ol style="list-style-type: none"> 1. Seema Maheshwari 2. Ashutosh Maheshwari-HUF 3. Arvind Maheshwari-HUF 4. Gitanjali Maheshwari
RBI	Reserve Bank of India
Registrar to the Offer	Purva Share Registry (India) Private Limited
SCRR	Securities Contract (Regulations) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	SEBI Act, 1992, as amended
Stock Exchange	BSE Limited
Target Company	Danube Industries Limited having its registered office at 703-B, Synergy Tower, Opp. Commerce House, near Vodafone House, Corporate Road, Prahladnagar, Ahmedabad- 380015, Gujarat, India
Tendering Period	Wednesday, April 10, 2019 to Thursday, April 25, 2019
Voting Share Capital	The Issued, Subscribed and Paid Up Equity Share Capital of the Target Company is 5,00,00,000 comprising of 50,00,000 Equity Shares of face value ₹ 10 each
Working Day	Working days of SEBI

II. 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. THIS 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 DDANUBE INDUSTRIES 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 THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS 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 DISCHARGES HIS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JANUARY 28, 2019 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THIS 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."

III. DETAILS OF THE OFFER

A) Background of the Offer

1. This mandatory offer (the “Offer” or “Open Offer”) is being made by the Acquirer in compliance with Regulation 4 of and other applicable provisions of the Takeover Regulations, to acquire up to 15,00,000 (Fifteen Lakhs Only) Equity Shares of face value ₹ 10/- (Rupees Ten only) each, representing 30% of the total Voting Share Capital of the Target Company from the Public Shareholders.
2. The Promoter and Promoter Group members of the Target Company vide Memorandum of Understanding dated January 22, 2019 entered with the Acquirer have irrevocably agreed to relinquish the management control of the Target Company in favour of the Acquirer subject to, i) Acquirer depositing 100% of the Offer Size in the escrow account, ii) receipt of all necessary approvals and iii) Acquirer completing all the Offer formalities. Upon completion of the Offer, the Promoters shall cease to be promoters of the Target Company and shall be reclassified as public shareholders and the Acquirer shall become the new promoter of the Target Company, subject to compliance with conditions specified in Regulation 31A of the extant SEBI (LODR) Regulations
3. The Acquirer hereby makes this Offer to shareholders of the Target Company, other than the Acquirer and Promoter and Promoter Group members (“Equity Shareholders”) to acquire Offer Shares, representing in aggregate 30 % of the total Voting Share Capital of the Target Company at a price of ₹ 5.50/- (Rupees Five and Fifty Paise only) per fully paid up equity share (“Offer Price”) payable in cash subject to the terms and conditions mentioned in the PA and in the Letter of Offer that will be circulated to the shareholders in accordance with the Takeover Regulations (“Letter of Offer”).
4. The Acquirer has deposited 100% of the total consideration payable to the Equity Shareholders in cash under this Offer in compliance with the Regulation 22(2) of the Takeover Regulations. Acquirer has been disqualified under section 164(2)(a) of the Companies Act, 2013 and therefore he shall nominate his representatives on the board of the Target Company in accordance with Regulation 24(1) of the Takeover Regulations and shall not be nominated as a director on the Board of Directors of the Target Company. As on the date of this Letter of Offer, the Acquirer has not made any changes to the Board of Directors of the Target Company.
5. **The Acquirer was the promoter and director of Future Infracon Private Limited (“Future”) which failed to file annual returns and financial statements since financial year 2008. The Acquirer has therefore been disqualified under section 164(2) of the Companies Act, 2013, for the period of November 01, 2016 to October 31, 2021 from being appointed as director of any company. The name of Future has been struck off from ROC.**
6. The object of the acquisition is substantial control over the Management of the Target Company.
7. The Offer Price is payable in cash, in accordance with Regulation 9 (1) of the Takeover Regulations.
8. This Offer is not made pursuant to any indirect acquisition, arrangement or agreement and is not a conditional offer.
9. This Offer is not a result of a global acquisition, an open market purchase or a negotiated deal
10. The Committee of Independent Directors of the Board of the Target Company, will come out with their recommendations for the Offer and the same shall be published in the newspapers where the Detailed Public Statement appeared latest by Monday, April 08, 2019.

B) Details of the proposed Offer:

1. The Public Announcement announcing the Open offer, under Regulation 4 was made on January 22, 2019 to BSE and a copy thereof was also filed with SEBI and sent to the Target Company at its registered office.
2. The Acquirer has published the DPS on Friday, January 25, 2019, which appeared in the following newspapers:

Sl. no.	Newspapers	Language	Editions
1	Financial Express	English	All Editions
2	Jansatta	Hindi	All Editions
3	Mumbai Lakshadeep	Marathi	Mumbai
4	Ahmedabad Express	Gujarati	Registered office of Target Company

A copy of the DPS is also available on the SEBI's website: www.sebi.gov.in

3. Pursuant to the Open Offer, the Acquirer proposes to acquire **15,00,000** Equity Shares representing **30%** of the total paid-up voting Equity Share Capital of the Target Company, as of the tenth (10th) working day from the closure of the tendering period, at the Open Offer Price of ₹ **5.50/-** (Rupees Five and Fifty Paise only) per Equity Share, to be paid in cash, in accordance with the Takeover Regulations and subject to the terms and conditions set out in the DPS and this Letter of Offer.
4. The Offer is being made to all the Shareholders of the Target Company (other than the Promoter and Promoter Group members and Acquirer). All Equity Shares validly tendered in the Open Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in this Letter of Offer. The Equity Shares to be acquired under the Offer must be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
5. There are no partly paid-up Shares in the Target Company.
6. The Offer is not a competing offer in terms of Regulation 20 of the Takeover Regulations.
7. The Manager to the Offer does not hold any Equity Shares as on the date of this Letter of Offer. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.
8. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the Takeover Regulations.
9. As on the date of this Letter of Offer, Acquirer holds 2,85,544 Equity Shares representing 5.71% of Voting Share Capital of the Target Company.
10. The Acquirer has confirmed that he has not acquired any Equity Shares of Target Company after the date of PA i.e. January 22, 2019, and up to the date of this Letter of Offer.
11. In the event that the Shares tendered in the Open Offer by the Eligible Shareholders are more than the Offer Size, the acquisition of Shares from the Eligible Shareholders will be on a proportionate basis, as detailed in paragraph VIII of this Letter of Offer.
12. The acquisition of 30% of the Voting Share Capital under this Offer will not result in the public shareholding in the Target Company falling below the level required for continuous listing.

IV. OBJECT OF THE ACQUISITION/ OFFER

1. 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 may continue to support the existing business of the Target Company. However, in case the Acquirer intends to build new business it shall be subject to the prior approval of the Shareholders. Upon completion of the Offer, the Acquirer may reorganize the present Capital structure of the Company and also further strengthen the Board.
2. The Acquirer does not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within 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 Takeover Regulations.
3. The object of the acquisition is substantial control over the Management of the Target Company. Further, in the Acquirer continues the same business activities of the Target Company, he shall hire people with necessary industry acumen and conduct business. Given the business linkages and strong networking, the Acquirer is quite confident of conducting the business in smooth manner. In case the Acquirer decides to change the business of the Target Company, the same shall be done in consultation with board of directors of the Target Company and subjected to approvals of stakeholders and shareholders in compliance with necessary rules and regulations.

V. BACKGROUND OF THE ACQUIRER

A. Sunil Rajdev (“Acquirer”)

- (a) Acquirer aged 48 years, S/o Mr. Hukumat Rajdev is residing at 301, Third Floor, Earth-12, Ambali Bopal Road, Opp. Landmark Hotel, B/h Sanidhya Bungalows, Ahmedabad, Gujarat- 380058 ; Tel No.: 079 40030495; Email: infomedia_11111@yahoo.co.in.
- (b) The Acquirer holds a bachelor’s degree in science and has had a varied experience in industries like Pharmaceuticals and Media. He has been an entrepreneur since the year 1997. The Acquirer is currently in the business of selling, repairing of Computers, Laptops and its parts.
- (c) Acquirer is holding a Permanent Account Number- ADHPR9138E.
- (d) The details of the ventures promoted/controlled/managed by the Acquirer is given hereunder:

Sr. No.	Name of the Entities	Nature of Interest
1.	Karavan Tradelink (OPC) Private Limited	Director and Shareholder
2.	Future Infomedia Private Limited	Director and Shareholder
3.	M/s Whitestone Consultancy	Partner

(Source: www.mca.com).

- (e) None of the entities mentioned under point d above are participating or interested or acting in concert with the Acquirer in this Open Offer.
- (f) Except as mentioned under point d above, Acquirer confirms that he does not hold directorships in any company, including a listed company.
- (g) As on the date of this LOF, Acquirer holds 2,85,544 Equity Shares representing 5.71% of Voting Share Capital of the Target Company.
- (h) Acquirer is not part of any group.
- (i) The Networth of Acquirer as on November 30, 2018 is ₹ 355.81 Lakhs (Rupees Three Crores Fifty Five Lakhs Eighty One Thousand only) and the same is certified by Mr. Rajesh Shah, Partner of Rajeshkumar P Shah &Co., Chartered Accountants (Membership No. 105321; FRN No. 129110W) having office at 25, Swastik Chambers, Near Navjivan Press, Income Tax Area, Ahmedabad; Email id: rpshahco@gmail.com, Tel No.: 07927540978 vide certificate dated December 10, 2018.
- (j) There has been a delayed compliance in relation to the applicable provision of Chapter V, Regulation 29(1) of the Takeover Regulations by the Acquirer. The details of the same has been mentioned below:-

Date of transaction	No. of shares acquired	% of holding post transaction	Due date of disclosure required under 29(1) read with 29(3)	Actual date of disclosure	No. of days delayed
November 02, 2018	30,887	5.18%	November 06, 2018	November 28, 2018	21 Days delay

SEBI may initiate appropriate action against the Acquirer in terms of Takeover Regulations and provisions of the SEBI Act for the delayed compliance.

- (k) Except as stated above, the Acquirer confirms that he did not hold Equity shares of the Target Company in past. Therefore compliance with Chapter II of Takeover Regulations, 1997 is not applicable to him.

- (l) Acquirer confirms that he has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
- (m) Acquirer confirms that he has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
- (n) Acquirer undertakes not to sell the equity shares of the Target Company held by him during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.
- (o) There is no Person Acting in Concert ("**PAC**") along with Acquirer for the purpose of this Offer.
- (p) Acquirer confirms that currently there are no pending litigations pertaining to securities market where he is made party to.
- (q) A civil suit is filed against the Acquirer in capacity of one of the partners of M/s Autopat Distributors. The said civil suit is filed by Endruance Technologies Pvt. Ltd with Hon'ble court at Aurangabad for a sum of Rs. 14,19,531. The next date of hearing for it is in the month of July 2019. The Acquirer has further confirmed that except the aforesaid there are no instances of any complaints filed against him or any of the entities promoted or controlled by him.
- (r) Acquirer is a public shareholder of the Target Company and confirms that he is not related to the Promoters, Directors or key employees of the Target Company in any manner.
- (s) Acquirer has confirmed that he is not categorized as a "willful defaulter" in terms of regulation 2(1) (ze) of the Takeover Regulations.

VI. BACKGROUND OF THE TARGET COMPANY

(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)

1. The Target Company was originally incorporated as “Chhastigarh Paper Mills Private Limited” as a private limited company under the provision of Companies Act, 1956 vide certificate of incorporation dated October 04, 1980 issued by the Registrar of Companies, Madhya Pradesh. Subsequently the Target Company was converted into a public limited company and the name of the Target Company was changed to “Chhastigarh Paper Mills Limited” and a fresh certificate of incorporation consequent name change dated September 10, 1994 was issued by Registrar of Companies, Madhya Pradesh. The name of the Target Company was further changed to “Dwekam Industries Limited” on March 14, 1995 vide a fresh certificate of incorporation pursuant to change of name issued by the Registrar of Companies, Madhya Pradesh. Subsequently the name of the Target Company was changed to “Danube Industries Limited” on December 07, 2017 vide a Certificate of Incorporation pursuant to change of name issued by the Assistant Registrar of Companies, Ahmedabad.
2. The registered office of the Target Company is situated at 703-B, Synergy Tower, Opp. Commerce House, near Vodafone House, Corporate Road, Prahladnagar, Ahmedabad- 380015, Gujarat, India; **Tel:** 079 40030495; **Email:** dwekamindustries@gmail.com; **Website:** www.dwekamindustriesltd.co.in.
3. Corporate Identification Number of the Target Company is L21015GJ1980PLC097420. (Source: www.mca.gov.in).
4. The Target Company is engaged in manufacturing of different types of pulp, paper and board from conventional and non-conventional raw materials. No business activities have been carried out by the Target Company after the last financial year.
5. Target Company confirms that there has been no change in its business activities since last 8 years from the date of this Letter of Offer.
6. The Authorized Share Capital of the Target Company is ₹ 5,00,00,000 comprising of 50,00,000 Equity Shares of face value ₹ 10 each. The Issued, Subscribed and paid up Share Capital of the Target Company is ₹ 5,00,00,000 comprising of 50,00,000 Equity Shares of face value ₹ 10 each. (Source: www.mca.gov.in).
7. The Target Company made its maiden public issue in the year 1985 and its Equity Shares were listed on Madhya Pradesh Stock Exchange Limited (“MPSEL”). Upon exit of MPSEL, Equity Shares of the Target Company were shifted to the dissemination board of National Stock Exchange of India Limited wef February 23, 2015. Subsequently the Equity Shares of the Target Company got listed on BSE Limited (“BSE”) wef March 17, 2017. The Equity Shares of the Target Company are currently listed on BSE. Scrip Code: 540361 (Source: www.bseindia.com).
8. There are no outstanding partly paid up shares or any other convertible instruments to be converted into Equity Shares of the Target Company at a future date.
9. The Equity Shares of the Target Company are **frequently traded** on BSE within the meaning of explanation provided in Regulation 2(j) of the Takeover Regulations. (Source: www.bseindia.com).
10. Target Company confirms that the trading in the Equity Shares of the Target Company was never suspended on BSE.
11. There are no Equity Shares that are not listed on the Stock Exchange.
12. Target Company confirms that it is in compliance with listing requirements and that no penal actions are initiated against it by or any regulatory authorities.
13. Target Company confirms that it has paid listing fees to BSE till date and there are no arrears.

14. The capital structure of the Target Company as of the date of this Letter of Offer is:

Issued and Paid-up Equity Share Capital	Number of Equity Shares (Face Value - ₹ 10/-)/Voting Rights	Percentage of Equity Shares/Voting Rights
Fully paid-up equity shares	50,00,000	100%
Partly paid-up equity shares		
Total paid-up equity shares		

15. As on the date of this Letter of Offer, the composition of the Board of Directors of the Target Company is as follows:

Sr. No.	Name, Age and Address	Designation	DIN	Date of Appointment
1.	Sunder Dayaldas Teckhandani Address: 503, Green Blossom, Opp. Ramada hotel, Prahaladnagar, Satellite, Ahmedabad- 380015, Gujarat	Independent Director	02700889	14/02/2018
2.	Mayur Manubhai Shah Address: 19 ADC Bank Staff Society, Naranpura, Ahmedabad-380013, Gujarat	Independent Director	03313341	03/02/2016
3.	Vasudev Khemchan Hardasani Address: C-104, Aatrey Green, Near St. Xaviers School, Hansol, Sardarnagar, Ahmedabad- 382475, Gujarat	Independent Director	08065945	14/02/2018
4.	Richa Vinodbhai Vaswani Address: D/6, Sentossa Greenland, 200 ft. Sardar Patel Ring Road, Nr. Science city, Rakanpur, Ghandinagar- 382721, Gujarat	Executive Director	08115184	27/04/2018
5.	Jigna Mahesh Thakkar Address: B/406, Pratyaxa Apartment, Nava Vadaj, Ahmedabad- 380013, Gujarat.	Independent Director	08308619	21/12/2018
6.	Nimesh Rasikbhai Patel Address: D/ 303, Satyam Status, Opposite Chandan Farm Party Plot, Jodhpur, Satellite, Ahemdabad-380015, Gujarat, India	Independent Director	08308685	21/12/2018

(Source: www.mca.gov.in)

16. No merger / demerger / spin off have taken place in the Target Company during the last three years.

17. Acquirer confirms that none of the directors of the Target Company are his representatives.
18. Brief financial details of the Target Company, as obtained from its audited standalone financial statements as at and for the financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 and the unaudited standalone financials for the six month period ended September 30, 2018 are as follows:

(Amount ₹ In lacs)

Profit & Loss Statement	For the period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Total Income	0.25	49.13	208.1	213.92
Total Expenditure excluding Depreciation & Interest	0.36	55.34	206.71	203.88
Profit Before Depreciation Interest and Tax	-0.11	-6.21	1.39	10.04
Depreciation	0	0.02	0.01	0.01
Interest	0	0.02	0.02	0
Profit Before Tax	-0.11	-6.25	1.36	10.02
Tax Expense	0	0	0.4	2
Profit After Tax	-0.11	-6.25	0.96	8.02
Balance Sheet Statement	For the period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Paid up share capital	500	500	500	500
Reserves and Surplus	-156.65	-156.54	-150.69	-151.57
Networth	343.35	343.46	349.31	348.43
Long Term Borrowings	6	0	87.74	14.98
Long-term provisions	0	0	0	0
Deferred Tax Liabilities	0	0	0	0
Other long Term Liabilities	0	0	0	0
Trade Payables	14.11	0	38.65	59.81
Short-term borrowings	0	0	0	0
Short-term provisions	0	0	0.4	2.04
Other Current Liabilities	0.6	0	0	0
Total Liabilities	20.71	0	126.8	76.83
Net fixed assets	0.24	0.24	0.26	0.28
Non-current investments	150.25	158.4 (Refer Note: 1 below)	40.25	6.45
Long Term Loans & Advances	0	0	248.48	260.14
Other Assets	0	0	0	0
Deferred Tax Asset	0	0	0	0

Inventories	0	0	0	0
Trade Receivables	0	0	50.29	83.65
Cash and Bank Balances	6.93	6.85	25.85	22.41
Short Term Loans and Advances	203.07	175.84	112.5	52.58
Other current assets	3.56	2.72	2.72	0
Total Assets	364.05	344.06	480.35	425.5
Other Financial Data	For the period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Dividend (%)	0	0	0	0
Earnings Per Share (Rs.)	0	-0.12	0.02	0.16
*Return on Net worth (%)	0	-0.02	0	0.02
Book Value per share (Rs.)	6.87	6.87	6.99	6.97

(*On the basis of Opening Network)

Note 1: The significant rise in non current investments in FY 2017-18 has been due to realization of its long term loans and advances of Rs. 248.47 lacs out of which it reduced liability of Rs. 87.74 lacs. The Balance Amount is invested in non-current investments. As the turnover of the Company reduced from Rs. 160.76 lacs in 2016-17, to Rs. 48.09 lacs in 2017-18, the long term loans realized could not be invested in business activities and hence the Company invested the amount in non- current financial assets as Investments.

19. Pre and Post Offer Shareholding Pattern of the Target Company as on date of this Letter of Offer is and shall be as follows:

Shareholders' Category	Shareholding & voting rights prior to the MOU and Open Offer		Equity Shares/voting rights agreed to be acquired which has triggered the Regulations		Equity Shares/voting rights to be acquired in Open Offer (Assuming full acceptances)		Shareholding / voting rights after the MOU and Open Offer (Assuming full acceptances)	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter/ promoter group								
a. Parties to agreement, if any	-	-	-	-	-	-	-	-
b. Promoters other than (a) above	4,35,700	8.71	-	-	-	-	4,35,700 [refer Notes below]	8.71
Total 1 (a + b)	4,35,700	8.71	-	-	-	-	4,35,700	8.71
(2) Acquirer								
a. Main Acquirer	2,85,544	5.71	-	-	15,00,000	30	17,85,544	35.71
b. PACs	-	-	-	-	-	-	-	-
Total 2 (a + b)	2,85,544	5.71	-	-	15,00,000	30	17,85,544	35.71
(3) Parties to	-	-	-	-	-	-	-	-

Shareholders' Category	Shareholding & voting rights prior to the MOU and Open Offer		Equity Shares/voting rights agreed to be acquired which has triggered the Regulations		Equity Shares/voting rights to be acquired in Open Offer (Assuming full acceptances)		Shareholding / voting rights after the MOU and Open Offer (Assuming full acceptances)	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
Agreements other than (1) & (2)								
(4) Public (other than parties to agreement, Acquirer)	42,78,756	85.58	-	-	-	-	27,78,756	55.58
Total (4)	42,78,756	85.58	-	-	-	-	27,78,756	55.58
Grand Total (1+2+3+4)	50,00,000	100.00	-	-	15,00,000	30.00	50,00,000	100.00

Notes:

- The current Promoters of the Target Company vide Memorandum of Understanding dated January 22, 2019 entered with the Acquirer have irrevocably agreed to relinquish the management control of the Target Company in favour of the Acquirer subject to, i) Acquirer depositing 100% of the Offer Size in the escrow account, ii) receipt of all necessary approvals and iii) Acquirer completing all the Offer formalities.
- Upon completion of the Offer, the Promoters shall cease to be promoters of the Target Company and shall be reclassified as public shareholders and the Acquirer shall become the new promoter of the Target Company, subject to compliance with conditions specified in Regulation 31A (5) of the extant SEBI (LODR) Regulations, 2015.
- Copies of submissions made by the Target Company under regulation 8(3) of the Takeover Code, 1997 for the financial years 2010 and 2011 is not available with the Target Company for verification and due diligence purpose. **SEBI may initiate appropriate action against the Target Company in terms of Takeover Regulations and provisions of the SEBI Act for these non-compliances/delayed compliances.**
- Copies of submissions made by the Promoter and Promoter Group members of the Target Company under regulation 30(2) of the Takeover Regulations for the financial years 2012-2016 is not available for verification and due diligence purpose. Further, for the financial year 2018 though the Target Company doesn't have any records for submissions made thereto, the record of the same is available on the website of BSE. However, the actual date of submission is not available. **SEBI may initiate appropriate action against the current Promoters in terms of Takeover Regulations and provisions of the SEBI Act for these non-compliances/delayed compliances.**

22. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A) JUSTIFICATION FOR THE OFFER PRICE

- The equity shares of the Target Company are listed on BSE only.
- The annualized trading turnover in the equity shares of the Target Company on BSE based on trading volume during the twelve calendar months prior to the month of PA (January 01, 2018 to December 31, 2018) is as given below:

Stock Exchange	Total no. of equity shares traded during the twelve calendar months prior to the month of PA	Total no. of listed equity shares	Annualized trading turnover (as % of shares listed)
BSE	22,09,355	50,00,000	44.19%

(Source: www.bseindia.com)

- Based on the information provided in point above, the Equity Shares of the Target Company are **frequently traded** on the BSE within the meaning of explanation provided in regulation 2(1)(j) of the Takeover Regulations.
- The Offer Price of ₹ **5.50/-** (Rupees Five and Fifty Paise only) is justified in terms of regulation 8 of the Takeover Regulations, **being the highest of the following:**

a)	Highest negotiated price per share for acquisition under the SPA;	Not Applicable
b)	The volume-weighted average price paid or payable for acquisition(s), whether by the Acquirer or by any person(s) acting in concert, during the fifty two weeks immediately preceding the date of public announcement;	₹ 3.64
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any person(s) acting in concert, during the twenty six weeks immediately preceding the date of the Public Announcement	₹ 5.10
d)	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period	₹ 4.57

(Source: www.bseindia.com)

- In view of the above parameters considered and in the opinion of the Acquirer and Manager to the Offer, the Offer Price of ₹ **5.50/-** (Rupees Five and Fifty Paise only) per Equity Share is justified in terms of regulation 8 of the Takeover Regulations.
- There have been no corporate actions undertaken by the Target Company warranting adjustment of any of the relevant price parameters.
- There has been no revision in the Offer Price or to the size of this Offer as on the date of this Letter of Offer.
- An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last one working day before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the Takeover Regulations. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts, as more particularly set out in paragraph V(4) of the DPS; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.

B) FINANCIAL ARRANGEMENTS

- Assuming full acceptance, the total funds requirements to meet this Offer is ₹ **82,50,000** (Rupees Eighty Two Lakhs Fifty Thousand only).
- The Networth of Acquirer as on November 30, 2018 is ₹ 355.81 Lakhs (Rupees Three Crores Fifty Five Lakhs Eighty One Thousand only) and the same is certified by Mr. Rajesh Shah, Partner of Rajeshkumar P Shah & Co., Chartered Accountants (Membership No. 105321; FRN No. 129110W)

having office at 25, Swastik Chambers, Near Navjivan Press, Income Tax Area, Ahmedabad; Email id: rpshahco@gmail.com, Tel No.: 07927540978 vide certificate dated December 10, 2018

3. In accordance with the provisions of Regulation 17(1) of the Takeover Regulations, the Acquirer has opened an Escrow Account in the name and style of “**SUNIL OPEN OFFER ESCROW ACCOUNT**” with ICICI Bank Limited (“**Escrow Bank**”), a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara-390007, Gujarat, India and acting for the purpose of this agreement through its branch situated at ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020 and have made a cash deposit of ₹ 82,50,000 (Rupees Eighty Two Lakhs Fifty Thousand Only) in the Escrow Account. The cash deposited in Escrow Account represents **100%** of the total consideration payable to the Equity Shareholders under this Offer. Escrow Bank vide email dated January 22, 2019 has confirmed the credit balance of ₹ 82,50,000 (Rupees Eighty Two Lakhs Fifty Thousand only). The Acquirer has authorized the Manager to the Open Offer to realize the value of the Escrow Account in terms of Regulation 17 of the Takeover Regulations
4. In case of any upward revision in the Offer Price or the size of this Offer, the value in cash of the Escrow Amount shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded by the Acquirer, prior to effecting such revision, in terms of Regulation 17(2) of the Takeover Regulations.
5. The funds required in relation to the Offer have been met from the own funds of the Acquirer.
6. Based on the above, Manager to the Offer satisfied that firm arrangements have been put in place by the Acquirer to implement the offer in full accordance with the Takeover Regulations to meet the payment obligations under the Offer.

VII. TERMS AND CONDITIONS OF THE OFFER

1. The tendering period will commence on Wednesday, April 10, 2019 and will close on Thursday, April 25, 2019.
2. The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.
3. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.
4. The Identified date for this Offer is Wednesday, March 27, 2019.
5. Target Company has signed agreements with Depositories for offering Shares in dematerialized form. The ISIN Number is INE575D01033. (Source: www.bseindia.com)
6. The Marketable lot for the Shares of the Target Company for the purpose of this Offer shall be 1. (Source: www.bseindia.com)
7. In terms of Regulation 18(9) of the Takeover Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period

A) ELIGIBILITY FOR ACCEPTING THE OFFER

1. The Letter of Offer shall be mailed to all Equity Shareholders/Beneficial Owners (except the Promoter and Promoter Group members and Acquirer) whose names appear in register of Target Company as on Wednesday, March 27, 2019, the Identified Date.
2. The Public Shareholders who have registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through electronic means. If Public Shareholders who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Registrar to the Offer at the address or email id mentioned on the cover page of the Letter of Offer by stating such Shareholder's name, address, number of Equity Shares held on Identified Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Shareholder. The Public Shareholders who have not registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date
3. All Public Shareholders holding the shares in **dematerialized form** are eligible to participate in this Open Offer at any time during the period from Offer Opening Date till the Offer Closing Date ("Tendering Period") for this Open Offer. Please refer to note below of this part, for details in relation to tendering of Offer Shares held in physical form.

Note:- a) As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. b) In this Open Offer, considering the timelines of activities prescribed under the Takeover Regulations, the acceptance of tendered shares will be undertaken after April 01, 2019.

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

4. The Public Announcement, the Detailed Public Statement and the Letter of Offer will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer from SEBI's website.

5. The Target Company has no Equity Shares which are locked-in.
6. The acceptance of this Offer by the Equity Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
7. The acceptance of this Offer is entirely at the discretion of the Equity Shareholder(s)/Beneficial owner(s) of the Target Company.
8. The acceptance of Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.
9. The Acquirer reserves the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period, i.e., up to Tuesday, April 09, 2019, in accordance with the Takeover Regulations and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Letter of Offer

B) STATUTORY AND OTHER APPROVALS

1. As of the date of this Letter of Letter, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer. However, in case of any such statutory approvals are required by the Acquirer at a later date before the expiry of the tendering period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals.
2. NRI and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals and other documents required to accept the Open Offer. Further, if holders of Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approval from the RBI, the FIPB or any other regulatory body in respect of the Equity Shares held by them in the Target Company, they will be required to submit such previous approvals that they would have obtained for acquiring and holding the Equity Shares of the Target Company to tender Equity Shares held by them pursuant to the Open Offer, and other documents required to be tendered to accept the Open Offer as mentioned in the Letter of Offer. In the event such approvals and supporting documents are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in the Open Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on a repatriable basis or a non-repatriable basis. Subject to the receipt of statutory and other approvals, if any, the Acquirer shall complete all procedures relating to payment of consideration under this Offer within 10 working days from the date of expiry of the tendering period to those Equity Shareholders whose documents are found valid and in order and are accepted for acquisition by the Acquirer.
3. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Offer.
4. In terms of Regulation 18(11) of the Takeover Regulations, the Acquirer shall be responsible to pursue all statutory approvals required by the Acquirer in order to complete the Open Offer without any default, neglect or delay. In case of delay in receipt of any statutory approval, the SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by the SEBI, in terms of regulation 18(11) of the Takeover Regulations. Further, if delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, regulation 17(9) of the Takeover Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.

5. In terms of Regulation 23(1) of the Takeover Regulations, if the approvals mentioned in paragraph VII B are not satisfactorily complied with or any of the statutory approvals are refused, the Acquirer have a right to withdraw the Offer. In the event of withdrawal, a public announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be filed with SEBI, the Stock Exchanges and the registered office of the Target Company.

VIII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. The Open Offer shall be implemented by using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09,2016.
2. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE, which shall be the Designated Stock Exchange, in the form of a separate window (“**Acquisition Window**”)
3. For implementation of the Open Offer, the Acquirer has appointed (the “**Buying Broker**”) through whom the purchases and settlements on account of the Open Offer would be made by the Acquirer. The contact details of the Buying Broker are as follows:

Name: Choice Equity Broking Private Limited

Address: Choice House, Shree Shakambhari Corporate Park,
Plot No. 156-158, J B Nagar,
Andheri (East), Mumbai-400099

Contact Person: Mr. Sheetal Murarka

Tel.: 022-67079857

E-mail ID: compliance@choiceindia.com; sheetal.murarka@choiceindia.com

4. Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (“**Selling Broker**”), during the normal trading hours of the secondary market during the Tendering Period.
5. The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders for demat equity shares only.
6. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.
7. Shareholders can tender their shares only through a broker with whom they are registered as client (KYC Compliant).
8. In the event Seller Broker of shareholder is not registered with BSE then that shareholder can approach the Buying Broker as defined in the Point # 3 above and tender the shares through the Buying Broker after submitting the details as may be required by the Buying Broker to be in compliance with the SEBI regulations.

SHAREHOLDERS WHO ARE HOLDING EQUITY SHARES IN DEMATERIALIZED FORM:

1. The Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker, indicating details of Shares they wish to tender in Open Offer.
2. The Selling Broker shall provide early pay-in of demat 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.
3. 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.
4. 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.
5. Upon placing the bid, the seller member(s) shall provide Transaction Registration slip (“TRS”) generated by the Exchange Bidding System to the Public Shareholder. TRS will contain details of order submitted like Bid ID No. DP ID, Client ID, No of Shares tendered etc.

The Public Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer

PROCEDURE TO BE FOLLOWED BY SHAREHOLDERS WHO ARE HOLDING EQUITY SHARES IN PHYSICAL FORM:

a) As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

b) In this Open Offer, considering the timelines of activities prescribed under the Takeover Regulations, the acceptance of tendered shares will be undertaken after April 01, 2019.

ACCORDINGLY, THE PUBLIC SHAREHOLDERS WHO ARE HOLDING EQUITY SHARES IN PHYSICAL FORM AND ARE DESIROUS OF TENDERING THEIR EQUITY SHARES IN THE OPEN OFFER CAN DO SO ONLY AFTER THE EQUITY SHARES ARE DEMATERIALIZED.

Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialized.

THE PUBLIC SHAREHOLDERS HOLDING SHARES IN DEMAT MODE (INCLUDING THOSE PHYSICAL SHAREHOLDERS WHO DEMAT THEIR PHYSICAL SHARES FOR THE PURPOSE OF TENDERING IT IN THE OPEN OFFER) ARE NOT REQUIRED TO FILL ANY FORM OF ACCEPTANCE.

ACCEPTANCE OF SHARES

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, 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 Public Shareholder shall not be less than the minimum marketable lot.

PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF THE LETTER OF OFFER

1. Persons who do not hold Equity Shares as on the Identified Date, or those who have acquired the Equity Shares after the Identified Date, or those who have not received the LOF, can also participate in this Open Offer.
2. A Shareholder may participate in the Open Offer by approaching their broker / Selling Broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer.
3. The LOF will be dispatched to all the Shareholders whose names appear on the register of members of the Target Company as on the Identified Date. In case of non-receipt of the Letter of Offer, such Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company.

SETTLEMENT PROCESS

1. 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.
2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
3. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.

4. The direct credit of shares shall be given to the demat accounts of the Acquirer indicated by the Acquirer' Buying Broker. For the same, the existing facility of client direct payout in the capital market segment shall be available.
5. 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 Buying Broker's pool account.
6. In case of partial or non-acceptance of orders or excess pay-in, Demat Shares shall be released to the securities pool account of the Selling Broker(s) / Custodian, post which, the Seller Broker(s) would then issue contract note for the shares accepted and return the balance shares to the Shareholders.

SETTLEMENT OF FUNDS / PAYMENT CONSIDERATION

- On the Offer Closing Date, reconciliation for acceptances shall be conducted by the Registrar to the Offer in consultation with the Manager to the Offer and the final list shall be provided to the BSE to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- The settlement of fund obligation for demat shares shall be effected by Clearing Corporation. For the Equity Shares accepted under the Open Offer, the payment will be made by the Clearing Corporation to the shareholders directly to their bank account.
- The Acquirer will pay the consideration to the Buying Broker on or before the pay-in date for settlement, who in turn will make the funds pay-in in the settlement account of Clearing Corporation, as per the settlement schedule announced by Clearing Corporation.
- The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Public Shareholder will receive funds payout in their settlement bank account.
- The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder.
- The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the shares under the Open Offer.
- Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Shareholders would be returned to them by the Clearing Corporation.
- 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 Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 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.

NOTE ON TAXATION

The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Act. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) or income received or deemed to be received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "Situs" of such shares. "Situs" of the shares is generally where a company is "incorporated". Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the Income Tax Act, 1961 ("IT Act"). Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for income-tax purposes, depending upon whether such shares were held as a capital asset or business asset (i.e. stock-in-trade). The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of Equity Shares under the

Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc. Any applicable surcharge and education cess would be in addition to such applicable tax rates. Based on the provisions of the IT Act, the shareholders would be required to file an annual income-tax return, as may be applicable to different category of persons, with the Indian income tax authorities, reporting their income for the relevant year. The summary of income-tax implications on tendering of Equity Shares on the recognized stock exchange and chargeable to STT is set out below. Taxability of Capital Gain in the hands of the Public Shareholders:

- i. The Finance Act, 2018, vide Section 112A, has imposed an income tax on long-term capital gains at the rate of 10% (Ten percent only) on transfer of equity shares that are listed on a recognized stock exchange, which have been held for more than 1 (one) year and have been subject to STT upon both acquisition and sale (subject to certain transactions, yet to be notified, to which the provisions of applicability of payment of STT upon acquisition shall not be applicable). Under this provision the capital gains tax would be calculated on gains exceeding INR 100,000 (Indian Rupees One Lakh only) (without any indexation and foreign exchange fluctuation benefits). It may also be noted that any capital gains arising up to January 31, 2018 are grandfathered under this provision. The cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset (lower of consideration on transfer) as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
- ii. As per section 111A of the Act, short-term capital gains arising from transfer of listed shares on which STT is paid would be subject to tax at the rate of 15% (Fifteen percent only) for Public Shareholders (except certain specific categories).
- iii. Any applicable surcharge and education cess would be in addition to above applicable rates.
- iv. In case of resident Public Shareholders, in absence of any specific provision under the IT Act, the Acquirer shall not deduct tax on the consideration payable to resident Public Shareholders pursuant to the Offer. However, in case of non-resident Public Shareholders, since the Offer is through the recognized stock exchange, the responsibility to discharge the tax due on the gains (if any) is on the non-resident Public Shareholders. It is therefore recommended that the non-resident Public Shareholder may consult their custodians/authorized dealers/ tax advisors appropriately.

The tax implications are based on provisions of the IT Act as applicable as on date of this Letter of Offer. In case of any amendment made effective prior to the date of closure of this Offer, then the provisions of the IT Act as amended would apply. Notwithstanding the details given above, all payments will be made to the Public Shareholders subject to compliance with prevailing tax laws. The final tax liability of the Public Shareholder shall remain of such Public Shareholder and the said Public Shareholder will appropriately disclose the amounts received by it, pursuant to this Offer, before the Indian income tax authorities.

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF THE EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER AND THE MANAGER TO THE OFFER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY PUBLIC SHAREHOLDER AS A REASON OF THIS OFFER

IX. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Shareholders at the office of the Manager to the Offer at Centre Point, 605, 6th floor, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai- 400 059 on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. from the date of opening of the Offer until the closure of this Offer:

- Certificate dated December 10, 2018 issued by Mr. Rajesh Shah, , Partner of Rajeshkumar P Shah &Co., Chartered Accountants (*Membership No.* 105321; *FRN No.* 129110W), certifying the net worth of the Acquirer;
- Annual reports of the Target Company for the financial years ending March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014;
- Unaudited Financial Results and Limited Review Report for the Half Year ended on September 30, 2018.
- Email dated January 22, 2019 from ICICI Limited confirming the cash deposit of ₹ 82,50,000 (Rupees Eighty Two Lakhs Fifty Thousand Only) in the Escrow Account with a lien marked in favor of the Manager to the Offer;
- Copy of Escrow Agreement between the Acquirer, Manager to the Offer and Escrow Bank;
- Memorandum of Understanding dated January 22, 2019 entered between the Acquirer and Promoter and Promoter Group members.
- A copy of Public Announcement dated January 22, 2019, published copy of the Detailed Public Statement – dated January 24, 2019;
- A copy of the comments letter from SEBI
- Copy of the Recommendation of the Independent Directors

X. DECLARATION BY THE ACQUIRER

For the purpose of disclosures in this Letter of Offer relating to the Target Company the Acquirer has relied on the information provided by the Target Company and has not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirer, accepts 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 Takeover Regulations. The Acquirer shall be solely responsible for ensuring compliance with the Takeover Regulations.

Mr. Sunil Rajdev

Address: 301, Third Floor, Earth-12, Ambali Bopal Road, Opp. Landmark Hotel, B/h Sanidhya Bungalows, Ahmedabad, Gujarat- 380058

Email: infomedia_11111@yahoo.co.in

Sd/-

Place: Ahmedabad

Date: March 27, 2019