# DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 15(2) OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, TO THE PUBLIC SHAREHOLDERS OF

# AROMA ENTERPRISES (INDIA) LIMITED

**Registered Office: 88, Ajanta Commercial Center, Nr. Income Tax Circle, Ashram Road, Ahmedabad, Gujarat - 380009**
**Tel.: +91-079-2754 0175, Email Id: compliance.mgc@gmail.com**

**Open Offer for Acquisition of upto 12,69,008 Equity Shares ("Offer Shares") from the Shareholders of M/s Aroma Enterprises (India) Limited (hereinafter referred to as "Target Company" or "AIEL") by Mr. Snehal Ajitbhai Patel and Mrs. Meeta Snehal Patel (hereinafter referred to as "Acquirers") at a price of ₹ 18/- per equity share ("Offer"/"Open Offer").**

This Detailed Public Statement (hereinafter referred to as "DPS") is being issued by Monarch Networth Capital Limited (Formerly known as Networth Stock Broking Limited), the Manager to the Offer **(hereinafter referred to as "Manager"),** on behalf of Mr. Snehal Ajitbhai Patel & Mrs. Meeta Snehal Patel, in compliance with Regulation 13(4), 14 and 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto **(hereinafter referred to as "SEBI (SAST) Regulations")** pursuant to the Public Announcement (hereinafter referred to as "PA") filed on November 02,2015 with BSE Limited and Ahmedabad Stock Exchange Limited (**hereinafter referred to as "BSE" and "ASE" respectively or the "Stock Exchanges", collectively**) and the Target Company and filed on November 03, 2015 with the Securities and Exchange Board of India (**hereinafter referred as "SEBI"**) in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations, read with Regulation 31A(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(**the **"SEBI (LODR) Regulations").**

## I. ACQUIRERS, TARGET COMPANY AND OFFER

### 1. Details of the Acquirers (Individuals):

**1.1 Mr. Snehal Ajitbhai Patel (Acquirer 1)**

a) Mr. Snehal Ajitbhai Patel s/o Mr. Ajitbhai Keshavlal Patel, aged 38 years, is residing at 16, Shankar Society, Naranpura, Ahmedabad-380013 (Mobile No.: 09833508700, Email id: snehal_ap@yahoo.com) He has done post graduate diploma in Pharma Management from the Indian Education Society's Management College & Research Centre, Mumbai. He has more than ten years of experience in trading of tobacco & tobacco products. As on date of this DPS, Mr. Snehal Ajitbhai Patel is not a director in any listed Company. Details of entities in which the Acquirer 1 is interested as Promoter/Director are as follows:

| Sr. No. | Name of the Entity(s) | Status |
|---|---|---|
| 1 | Rabia Logistics Private Limited | Promoter &Director |
| 2 | Katol Energy Private Limited | Promoter& Director |
| 3 | Blackstone Logistics Private Limited | Promoter &Director |
| 4 | Harikesh Tobacco Products Private Limited | Promoter &Director |
| 5 | Samsne Reality Private Limited | Director |
| 6 | Longitude Warehousing Private Limited | Promoter &Director |
| 7 | Gingerstone Warehousing Private Limited | Director |
| 8 | Qubix Logistics Private Limited | Director |
| 9 | Skycraft Developers Private Limited | Promoter &Director |
| 10 | Parshva Tobacco Company Private Limited | Director |
| 11 | Nautical Warehousing Private Limited | Promoter |
| 12 | Parabola Warehousing Private Limited | Promoter |

b) None of the entities mentioned in point 1.1(a) above are participating or interested or acting in concert with the Acquirers in this Open Offer and are not listed on any Stock Exchanges. Mr. Snehal Ajitbhai Patel is husband of Mrs. Meeta Snehal Patel.

c) Mr. Snehal Ajitbhai Patel is not part of any group.

d) The Net worth of Mr. Snehal Ajitbhai Patel as on October 15,2015 was ₹ 15,56,63,082/- (Rupees Fifteen Crores Fifty Six Lakhs Sixty Three Thousand and Eighty Two only). The same has been certified vide certificate dated October 16, 2015 by Mr. Jagadish Kumar. (Membership No. 157063), Proprietor, Jagadish Kumar, Chartered Accountants, having their office at S/18, Vikram Chamber, Near Income Tax Circle, Ashram Road, Ahmedabad - 380061; Tel.: +91-9510122367; Email id: jkdeora@gmail.com

e) As on the date of this DPS, the Acquirer 1 holds 68,684 Equity Shares (1.41% of the total fully paid up and total voting share capital) in the Target Company.

**1.2 Mrs. Meeta Snehal Patel (Acquirer 2)**

a) Mrs. Meeta Snehal Patel, aged 39 years, wife of Mr. Snehal Ajitbhai Patel (Acquirer 1), residing at 16, Shankar Society, Naranpura, Ahmedabad-380013. (Mobile No.: 9930605079, Email id: meetasnehalpatel@gmail.com). She has done her Diploma in Architectural Assistantship from the Government Polytechnic for Girls Ahmedabad in the year 1997. She has been involved in the management and administrative functions of Harikesh Tobacco Products Private Limited. As on the date of this DPS, Mrs. Meeta Snehal Patel is not a director in any listed company.

b) Mrs. Meeta Snehal Patel is the Director of Harikesh Tobacco Products Private Limited. The said company is not participating nor interested nor acting in concert with the Acquirer 2 in this Open Offer and is not listed on any Stock Exchanges.

c) Mrs. Meeta Snehal Patel is not part of any group.

d) The Net worth of Mrs. Meeta Snehal Patel as on October 15,2015 is ₹ 3,76,14,450/- (Rupees Three Crores Seventy Six Lakhs Fourteen Thousand Four Hundred and Fifty only) as certified vide certificate dated October 16, 2015 by Mr. Jagadish Kumar. (Membership No. 157063), Proprietor, Jagadish Kumar, Chartered Accountants, having their office at S/18, Vikram Chamber, Near Income Tax Circle, Ashram Road, Ahmedabad-380061; Tel.: +91-9510122367; Email id: jkdeora@gmail.com

f) As on the date of this DPS, the Acquirer 2 holds 85,000 Equity Shares (1.74% of the total fully paid up share capital and the total voting share capital) in the Target Company.

1.3 As on the date of this DPS, the Acquirers are collectively holding 1,53,684 equity shares of the Target Company constituting 3.15% of the total paid up and voting share capital. The relatives of the Acquirers are holding 4,40,000 equity shares of the Target Company constituting 9.01% of the total paid up and voting capital. The Acquirers have complied with the provisions of Chapter V of the SEBI (SAST) Regulations, 2011.

1.4 Except as stated in point 1.3 above and other than transactions detailed in the paragraph II (Background to the Offer) below, which has triggered this Offer, pursuant to which the Acquirers shall acquire equity shares in the Target Company, as on the date of this DPS, the Acquirers do not hold any ownership/interest/relationship/ shares in the Target Company.

1.5 There are no persons on the Board of the Target Company, representing the Acquirers.

1.6 The Acquirers has not entered into any non-compete arrangement and/or with the Sellers.

1.7 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any other regulation made under the SEBI Act.

### 2. Details of the Sellers:

2.1 The details of the Sellers have been set out below:

| Name of Seller | Changes in name in the past | Nature of Entity | Registered office (Residential address if individual) | Part of Promoter Group of Target Company | Name of Group | Listed on Stock exchange in India or abroad | Shares/Voting Rights held in Target Company before entering into an agreement with Acquirers |
|---|---|---|---|---|---|---|---|
| Ravi Malhotra (Seller 1) | NA | Individual | 23, Sunrise Park, Thaltej, Ahmedabad - 380054 | Yes | - | NA | 12,19,900 |
| **Public Shareholders (Seller 2)** | | | | | | | |
| Harishbhai Keshavlal Patel | NA | Individual | 27/B, Sudarshan Society II, Naranpura, Ahmedabad - 380013 | No | - | NA | 1,18,700 |
| Harishbhai Keshavlal Patel HUF | NA | Individual | 27/B, Sudarshan Society II, Naranpura, Ahmedabad - 380013 | No | - | NA | 1,09,000 |
| Jignashaben Harishbhai Patel | NA | Individual | 27/B, Sudarshan Society II, Naranpura, Ahmedabad - 380013 | No | - | NA | 1,20,800 |
| Sapan Keshavlal Patel | NA | Individual | 27/B, Sudarshan Society II, Naranpura, Ahmedabad - 380013 | No | - | NA | 1,10,000 |
| Rohan H. Patel | NA | Individual | 27/B, Sudarshan Society II, Naranpura, Ahmedabad - 380013 | No | - | NA | 28,000 |
| Kantaben Keshavlal Patel | NA | Individual | 27/B, Sudarshan Society II, Naranpura, Ahmedabad - 380013 | No | - | NA | 1,19,700 |

*Note: After the underlying transaction in terms of the Agreements, the Sellers holding in the Target Company would become Nil*

2.2 Accordingly, upon completion of the sale and purchase of the above Shares under the Agreements, the Sellers will not hold any shares in the Target Company. The Promoter shall cease to be the Promoter of the Target Company and relinquish the control in the Target Company.

2.3 Mr. Ravi Malhotra, one of the seller, being a Promoter and Managing Director of Sirhind Steel Limited, a Company listed with BSE Limited, has been prohibited from buying, selling or otherwise dealing in the script of Sirhind Steel Limited (SSL), either directly or indirectly, in any manner whatsoever, except for the purpose of complying with the minimum public shareholding requirement under Clause 40A of the Listing Agreement read with Rule 19(2)(b) and Rule 19(A) of Securities Contracts (Regulation) Rules till such time SSL complies with the minimum public shareholding requirement vide SEBI Interim Order WTM/PS/08/CFD/JUNE/2013 dated June 04, 2013.

2.4 Except as stated in point 2.3, none of the Sellers has been prohibited by SEBI from dealing in securities, in terms of Directions issued under Section 11B of the SEBI Act, 1992 as amended or under any other regulation made under the SEBI Act, 1992.

2.5 None of the shares of the Sellers are subject to lock in obligations.

### 3. Details of Target Company:

3.1 The Target Company was incorporated on March 04, 1994 under the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra & Nagar Haveli, as a Limited Company, in the name and style 'Sirhind Enterprises Limited'. The Target Company has made its maiden public issue of Equity Shares in the year 1996 and got its Equity Shares listed at BSE and ASE. The name of the Company was changed to "Aroma Enterprises (India) Limited" vide special resolution passed on April 18, 2011 and had consequently obtained fresh certificate of incorporation on May 20, 2011.

3.2 The Target Company has its registered office at 88, Ajanta Commercial Center, Nr. Income Tax Circle, Ashram Road, Ahmedabad, Gujarat - 380009 (Tel.: +91-079-27540175, Email id: compliance.mgc@gmail.com). The Corporate Identity Number (CIN) of the Target Company is L51909GJ1994PLC021482.

3.3 The Target Company is engaged in the business of buying, selling & trading of premium quality cigarettes and commission agents for coal products.

3.4 The Equity Shares of the Target Company are listed on BSE (Scrip code: 531560, Scrip ID: AROMAENT) and ASE (Scrip Code: 55235). Based on the information available on the stock exchanges, the equity shares of the Target Company are not frequently traded within the meaning of Regulation 2(1)(j) of SEBI (SAST) Regulations, 2011.

3.5 As on date of this DPS, the present directors of the Target Company are Mr. Ritesh B. Patel (Executive Director) (DIN-06593713), Ms. Jalpaben R. Patel (Non-Executive Director) (DIN-07143626). Mr. Chirag H. Rawal, (Non-Executive Independent Director) (DIN- 06560139) and Mr. Miten B. Shah (Non-Executive Independent Director) (DIN- 06592149). None of the Directors of the Target Company represents the Acquirers.

3.6 The Authorised Share Capital of AEIL is ₹ 7,50,00,000/- divided into 75,00,000 equity shares of ₹ 10/- each. The present issued and subscribed capital of the Target Company is ₹ 5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakh Only) Equity shares of ₹ 10/- (Rupees Ten Only) each and the paid up Equity capital is ₹ 4,94,04,000/- (Rupees Four Crore Ninety Four Lakh Four Thousand Only) divided into 48,80,800 (Forty Eight Lakh Eighty Thousand Eight hundred) Equity shares of ₹ 10/- (Rupees Ten Only) each, and includes forfeited shares amounting to ₹ 5,96,000/- (Rupees Five Lakh Ninety Six Thousand Only).

3.7 As on the date of this DPS, the Target Company doesn't have any partly paid up Equity shares or any other convertible instruments to be converted into Equity Shares of the Target Company at a future date.

3.8 The financial highlights of the Target Company are as follows:

(₹ in Lakhs except EPS)

| Particulars | Year ended as on March 31,2013 (Audited) | Year ended as on March 31,2014 (Audited) | Year ended as on March 31,2015 (Audited) | Quarter Ended June 30,2015 (Unaudited) |
|---|---|---|---|---|
| Total Revenue | 62.59 | 65.13 | 172.11 | 470.23 |
| Net income (PAT) | 13.62 | 42.32 | 29.67 | 26.94 |
| EPS (in ₹) | 0.28 | 0.87 | 0.61 | 0.55 |
| Net worth/ Shareholder's Funds | 731.67 | 773.99 | 803.66 | 830.60 |

(Source: The financial information set forth has been extracted from the Target Company's Annual Report for the financial year ended as on March 31, 2013, March 31, 2014, March 31,2015 and the interim financial information set forth above has been extracted from the Target Company's unaudited financial statements as of and for the quarter ended June 30, 2015 approved by the Board of Directors of the Target Company in their meeting held on August 14, 2015. The limited review for the unaudited financial results for the quarter ended June 30, 2015 as required under Clause 41 of the Equity Listing Agreement, has been completed by the Statutory Auditor of the Company.)

### 4. Details of the Offer:

4.1 This Offer is a mandatory offer in compliance with Regulation 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the execution of the following Share Purchase Agreements (SPAs) by the Acquirers:

a. an agreement to purchase 12,19,900 equity shares constituting 24.99% of the fully paid up and voting equity share capital of the Target Company from Mr. Ravi Malhotra, promoter of the Target Company at a consideration of ₹ 16/- per equity share **(Seller 1 and such Share Purchase Agreement "Seller 1 SPA");**

b. an agreement to purchase 6,06,200 equity shares 12.42% of the fully paid up and voting equity share capital of the Target Company from Mr. Harishbhai Keshavlal Patel, Harishbhai Keshavlal Patel HUF, Mrs. Jignashaben Harishbhai Patel, Mr. Sapan Harishbhai Patel, Mr. Rohan H. Patel and Mrs. Kantaben Keshavlal Patel at a consideration of ₹ 16/- per equity share. **(Seller 2 and such Share Purchase Agreement "Seller 2 SPA")**

All the above Share Purchase Agreements (i.e. Seller 1 SPA and Seller 2 SPA) are hereinafter collectively referred to as the **"Agreements"** and Seller 1 and Seller 2 have been collectively referred to as **"the Sellers"**

4.2 The Acquirers are making an Open Offer to the Equity Shareholders (i.e. Shareholders other than the Acquirers, parties to the Agreements and Promoter Group Shareholders of AEIL) to acquire up to 12,69,008 (Twelve Lakh Sixty Nine Thousand and Eight only) Equity Shares of the face value of ₹ 10/- each, being 26% of the Paid up Equity Share Capital of the Target Company at a price of ₹ 18/- (Rupees Eighteen Only) per fully paid up Equity Share payable in cash, subject to the terms and conditions set out in the PA, this Detailed Public Statement and the Letter of Offer, that will be sent to the shareholders of the Target Company.

4.3 The Offer Price of ₹ 18/- per share to be made to public shareholders shall be payable in cash.

4.4 The Agreements is subject to compliance of provisions of SEBI (SAST) Regulations and in case of non-compliance with the provisions of SEBI (SAST) Regulations, these Agreements shall not be acted upon.

4.5 This Offer is subject to the receipt of the statutory and other approvals mentioned in paragraph VI of DPS. In terms of Regulation 23 of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

4.6 In case of any delay in the receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations, 2011, shall be adhered to i.e. extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company, subject to the Acquirers agreeing to pay the interest as directed by SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of wilful default by the Acquirers in obtaining any statutory approvals in time, the amount lying in the escrow account shall 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.

4.7 This Offer is not conditional offer and is not subject to any minimum level of acceptance by the equity shareholders of the Target Company. The Acquirers will acquire all the Equity Shares of the Target Company that are validly tendered as per terms of the Offer upto a maximum of 12,69,008 (Twelve lakh sixty nine thousand and eight) Equity Shares constituting 26% of the Paid up Equity Share Capital of the Target Company.

4.8 This is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.

4.9 The Manager to the Offer i.e. Monarch Networth Capital Limited does not hold any Equity Shares in the Target Company as on the date of Public Announcement. The Manager to the Offer further declares and undertakes that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.

5. The Acquirers do not have any plans to dispose off or otherwise encumber any significant assets of the Target Company for the next 2 (two) years, except in the ordinary course of business of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, if any, for two years from 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 by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations. Further, the Acquirers intend to seek a reconstitution of the Board of Directors of the Target Company after the successful completion of Offer.

6. In terms of Clause 40A of the Listing Agreement entered with BSE and ASE read with Rule 19A(1) of the Securities Contracts (Regulations) Rules, 1957, the Target Company is required to maintain at least 25% of the public shareholding for listing on a continuous basis. Assuming full acceptance of shares under the open offer, the public shareholding in the Target Company would not reduce to less than the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and Listing Agreement. The Acquirers further undertakes that if the public shareholding is reduced below such minimum level it will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement and other provisions of applicable laws, within the time period mentioned therein.

## II. BACKGROUND TO THE OFFER

1. The Offer is being made by the Acquirers to the Public Shareholders of the Target Company in accordance with Regulation 3(1) and 4 of the SEBI (SAST) Regulations, 2011 and to classify the Acquirers as a 'Promoter' of the Target Company in accordance with the provisions of the SEBI (LODR) Regulations.

2. The Acquirers have entered into Agreements with the Sellers of Target Company on November 02, 2015 for the purchase of 18,26,100 Equity Shares of ₹ 10/- each ("Sale Shares"), constituting to 37.41% of the total paid-up equity share capital of the Target Company. The said sale is proposed to be executed at a price of ₹ 16/- (Rupees Sixteen Only) per fully paid-up equity share ("**Negotiated Price**"), aggregating to ₹ 2,92,17,600/- (Rupees Two Crores Ninety Two Lakhs Seventeen Thousand Six Hundred Only) ("**Purchase Consideration**") payable in Cash.

3. After the completion of this Open Offer and pursuant to the acquisition of shares under Agreements the Acquirers will hold 66.56% of the total paid up equity shares of the Target Company by which they shall be in a position to exercise effective control over the management and affairs of Target Company.

4. The prime objective of the Acquirers behind the Acquisition is to have substantial holding of shares and voting rights accompanied with the change of control and management of the Target Company. The Acquirers intends to take control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance with the law. At present the Acquirers have no intention to change the existing line of business of Target Company. However, no firm decision in this regard has been taken or proposed so far. The Acquirers reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any such change in the structure that may affect the larger interest of the shareholders will be done with prior consent of shareholders in terms of Regulation 25(2) of SEBI (SAST) Regulations and in accordance with the laws applicable. The Acquirers may diversify, reorganize and/or streamline the business of Target Company for commercial reasons and operational efficiencies.

## III. SHAREHOLDING AND ACQUISITION DETAILS

The present and proposed shareholding of the Acquirers in the Target Company and the details of their acquisition are as follows:

| Details | Snehal Ajitbhai Patel | | Meeta Snehal Patel | |
|---|---|---|---|---|
| | No. of Equity Shares | % | No. of Equity Shares | % |
| Shareholding as on the PA date | 68,684 | 1.41 | 85,000 | 1.74 |
| Shares intended to be acquire on the date of PA through Agreements | 14,64,100 | 30.00 | 3,62,000 | 7.42 |
| Shares acquired between the PA date and the DPS date | Nil | Not Applicable | Nil | Not Applicable |
| Shares to be acquired in the Offer (Assuming full acceptance) | 12,69,008 (26.00%) | | | |
| Post Offer shareholding (*) (On Diluted basis, as on 10th working day after closing of tendering period) | 32,48,792 (66.56%) | | | |

*It includes 18,26,100 equity shares proposed to be acquired through Agreements dated November 02, 2015 and assuming full acceptance under the Open Offer.

**As on the date of this DPS, the relatives of the Acquirers are holding 4,40,000 equity shares of the Target Company constituting 9.01% of the total paid up and voting capital.

Note: The Acquirers & their relatives do not hold any shares as on date of PA in the Target Company except as stated above.

## IV. OFFER PRICE:

1. The equity shares of the Target Company are listed on the BSE (scrip code: 531560) and ASE (scrip code: 55235).

2. The annualized turnover of the Equity Shares of the Target Company during 12 (twelve) calendar months preceding the month of Public Announcement (i.e. November 2014 to October 2015) on the stock exchanges on which the Equity Shares of the Target Company are listed is detailed below:

| Name of the Stock Exchange | Total Number of Shares traded in the preceding 12 calender months prior to the month of Public Announcement | Total Number of Equity Shares Listed | Annualized trading turnover (as % of total number of listed Equity Shares) |
|---|---|---|---|
| BSE | 39,611 | 48,80,800 | 0.81 |
| ASE | Nil | 48,80,800 | 0.00 |

Source: www.bseindia.com & www.aselindia.com

Based on the above information, the equity shares of the company are thus infrequently traded on BSE and ASE within the meaning of Regulation 2(1)(j) of SEBI (SAST) Regulations, 2011.

3. Since the Equity shares of the Target Company have not been frequently traded on the stock exchanges during the 12 calendar months prior to the month in which the PA has been issued. The Offer price of ₹ 18/- per Equity Share has been justified, taking into account, the following parameters, as set out under Regulation 8(2) of the SEBI (SAST) Regulation:

| | | |
|---|---|---|
| a) | Highest negotiated price per share for acquisition under the agreements or SPAs | ₹ 16/- |
| b) | The volume weighted average price paid or payable for acquisitions, whether by the Acquirers or by any person acting in concert with them, during the fifty two weeks immediately preceding the date of public announcement | Not Applicable |
| c) | The highest price paid or payable for acquisitions, whether by the Acquirers or by any person acting in concert with them, during the twenty six weeks immediately preceding the date of public announcement | Not Applicable |
| d) | The volume weighted 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, (in case of frequently traded shares only) | Not Applicable |
| e) | Where the shares are not frequently traded, the price determined by the acquirers and the manager to the open offer taking into account valuation parameters as stated | ₹ 18/- |
| | **Other Parameters** | **For year ended March 31, 2015** |
| | Profit After Tax (₹ in Lacs) | 29.67 |
| | Networth (₹ in Lacs) | 803.66 |
| | Book Value per share (Rupees) | 16.47 |
| | Earnings per share (EPS) (Rupees) | 0.61 |

*(Source: The financial information has been extracted from the audited financial statements of the Target Company for the year ended March 31, 2015 filed with BSE.)*

*The fair value of the Target Company is ₹10/- (Rupees Ten only) per share as is certified vide Valuation Report dated November 02, 2015 issued by Mr. R.J.Rathi (Membership No 032421) R.J.Rathi & Co, Chartered Accountants having office at IB-144, Kalpataru Garden, Ashok Nagar, Near Fly Over, Kandivali (East), Mumbai - 400101. The said valuation is done considering the Supreme Court's decision in the Hindustan Lever Employee's Union vs. Hindustan Lever Limited. (1995) reported at (83 Companies Cases 30).*

4. In view of the parameters considered and presented in the table above and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹ 18/- (Rupees Eighteen Only) per fully paid up Equity Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011.

5. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

6. As on date of this DPS, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers shall comply with all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

7. If there is any revision in the Offer Price, if any, on account of future purchases/competing offers, it shall be done only up to the period prior to three working days before the date of commencement of the Tendering Period and shall be notified to the shareholders by way of public announcement in the same newspapers where DPS has appeared.

## V. FINANCIAL ARRANGEMENTS

1. The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 12,69,008 Equity Shares from the public shareholders of the Target Company at an Offer Price of ₹ 18/- (Rupees Eighteen Only) per Equity Share is ₹ 2,28,42,144/- (Rupees Two Crore Twenty Eight Lakh Forty Two Thousand One Hundred Forty Four Only) (the "**Maximum Consideration**").

2. As per the certificate from Mr. Jagadish Kumar, Chartered Accountant (Membership No. 157063) having their office at S/18, Vikram Chamber, Near Income Tax Circle, Ashram Road, Ahmedabad-380061; Tel.: +91-9510122367; Email id: jkdeora@gmail.com dated October 16,2015, the Net worth of Mr. Snehal Ajitbhai Patel as on October 15, 2015 was ₹ 15,56,63,082 (Rupees Fifteen Crores Fifty Six Lakhs Sixty Three Thousand and Eighty Two only) and Mrs. Meeta Snehal Patel as on October 15, 2015 is ₹ 3,76,14,450/- (Rupees Three Crores Seventy Six Lakhs Fourteen Thousand Four Hundred and Fifty only) and have confirmed that the sufficient resources are available with the Acquirers to fulfill the obligations under the Offer.

3. The fund requirements will be met from the Acquirer's own sources/Net worth and no borrowings from Banks/FIs or Foreign sources such as NRIs is envisaged.

4. The Acquirers, the Manager to the Offer and Axis Bank Ltd., a banking corporation incorporated under the laws of India and having its registered office at 1st Floor, Axis House, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai-400 025 and acting through its branch at Sagar Tech Plaza, Ground Floor, B wing, Sakinaka Junction, Andheri Kurla Road, Mumbai-400072, have entered into an Escrow Agreement dated November 03, 2015 for the purpose of the Offer (the "Offer Escrow Agreement") in accordance with Regulation 17 of the SEBI (SAST) Regulations. The Acquirers have opened an Escrow Account under the name and title of '**Snehal Patel - AEIL Open Offer A/c**' bearing A/c No. 915020053579345 with Axis Bank Ltd and deposited ₹ 57,11,000 (Rupees Fifty Seven Lakhs Eleven Thousand only) in the account towards 25% of the total consideration payable in accordance with SEBI (SAST) Regulations.

5. The Acquirers have authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

6. Based on the above and in light of the Escrow Arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by Acquirer to fulfill the Acquirers obligations through verifiable means are in relation to the Offer in accordance with the Regulations.

## VI. STATUTORY AND OTHER APPROVALS

1. Non-resident equity shareholders who wish to tender their equity shares of the Target Company in this Offer will be required to submit all the applicable approvals required from Reserve Bank of India (hereinafter referred to as "RBI") (specific or general) that they would have obtained for acquiring the equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the equity shares tendered in the Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of equity shares by the Acquirers from NRIs and OCBs.

2. To the best of knowledge and belief of the Acquirers, as on the date of this DPS, there are no statutory approvals required for acquisition of the equity shares to be tendered pursuant to this Offer except stated above. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers will not proceed with this Offer in the event that such statutory approvals that are required are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011.

3. In case of any delay in the receipt of any statutory approval as stated above, Regulation 18(11) of the SEBI (SAST) Regulations, 2011, shall be adhered to, i.e. extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company subject to the Acquirers agreeing to pay the interest as directed by SEBI.

4. The acquirer does not require any approval from FIs/Banks for the Offer.

5. The Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Offer.

## VII. TENTATIVE SCHEDULE OF ACTIVITY

| Activity | Date | Day |
|---|---|---|
| Date of PA | November 02,2015 | Monday |
| Publication of this DPS | November 09,2015 | Monday |
| Last Date for filing Draft Letter of Offer with SEBI | November 18,2015 | Wednesday |
| Last date for a competing offer | December 03,2015 | Thursday |
| *Identified Date | December 14,2015 | Monday |
| Date by which Letter of Offer will be dispatched to the shareholders | December 21,2015 | Monday |
| Last date by which Board of TC shall give its recommendation | December 28,2015 | Monday |
| Issue Opening PA Date | December 29,2015 | Tuesday |
| Date of Commencement of Tendering Period (Offer Opening Date) | December 30,2015 | Wednesday |
| Date of Expiry of Tendering period (Offer closing Date) | January 13,2015 | Wednesday |
| Last Date of communicating rejection/acceptance and payment of consideration for applications accepted/return of unaccepted share certificates/credit of unaccepted Equity Shares to Demat Account | January 28,2015 | Thursday |

*Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All public shareholders (registered or unregistered) of Equity Shares of the Target Company (except the Acquirers and the existing Promoter and Promoter Group) are eligible to participate in the Offer any time before the closure of the Offer.

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

1. Subject to Part VI (Statutory and Other Approvals) above, all shareholders of the Target Company, except for the parties to the Agreements, whether holding Equity Shares in dematerialized form or physical form, registered or unregistered, are eligible to participate in this Offer at any time during the tendering period of this Offer.

2. Persons who have acquired Equity Shares but 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.

3. The Open Offer will be implemented by the Acquirers through Stock Exchange Mechanism as provided under the SEBI (SAST) Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.

4. The Acquirers have appointed Motilal Oswal Securities Limited ('Buying Broker') for the Open Offer through whom the purchase and settlement of the Offer Shares tendered in the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:

**MOTILAL OSWAL SECURITIES LIMITED**
Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025.
**Contact Person:** Mr. Aditya Parekh/Mr. Sahil Kajani/Mr. Nikhil Joshi/Ms. Nayana Survarna
**Tel. No.:** 022-3998 2557/022-3998 2525; **Fax No.:** 022-3010 2305

5. BSE shall be the Designated Stock Exchange for the purpose of tendering Offer Shares in the Open Offer.

6. The detailed process of Stock Exchange will be provided in the Letter of Offer which shall be sent to the Public Shareholder of the Target Company.

## IX. THE DETAILED PROCEDURE FOR TENDERING THE SHARES IN THE OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER.

## X. GENERAL INFORMATION

1. Except stated in this DPS, the Acquirers, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities under discussions pursuant to Section 11B or under any other regulations of SEBI Act.

2. Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Monarch Networth Capital Limited (Formerly known as Networth Stock Broking Limited) as Manager to the Offer.

3. The Acquirers have appointed M/s Skyline Financial Services Private Limited as the Registrar to the Offer.

4. The Acquirers, Mr. Snehal Ajitbhai Patel, Mrs. Meeta Snehal Patel accept full responsibility for the information contained in this DPS and PA (except that which pertains to the Target Company and has been compiled from publicly available sources) and also for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereof.

5. This Detailed Public Statement would also be available at SEBI's website, www.sebi.gov.in

| ISSUED BY MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|---|---|
| MONARCH NETWORTH CAPITAL | TOWARDS EXCELLENCE |
| **MONARCH NETWORTH CAPITAL LIMITED**<br>(Formerly Known As Networth Stock Broking Limited)<br>901/902, Atlanta Centre, 09th Floor, Sonawala Road,<br>Goregaon (East), Mumbai-400 063<br>**Tel. No.:** +91-22-3064 1600; **Fax No.:** +91-22-2685 0257<br>**Email Id:** cs@networthdirect.com<br>**Contact Person:** Mr. Rajendra Bafna<br>**SEBI Registration No.:** INM000011013 | **SKYLINE FINANCIAL SERVICES PVT. LTD**<br>D-153 A, 1st Floor, Okhla Industrial Area,<br>Phase - I, New Delhi-110 020<br>**Tel. No.:** +91-11-6473 2681-88<br>**Fax No.:** +91-11-2681 2682<br>**Email:** virenr@skylinerta.com<br>**Contact Person:** Mr. Virender Rana<br>**SEBI Registration No:** INR000003241 |

**Place :** Mumbai
**Date : ** November 07, 2015

**ON BEHALF OF THE ACQUIRERS**
Mr. Snehal Ajitbhai Patel and Mrs. Meeta Snehal Patel

PRESSMAN