Draft Letter of Offer

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer ("**LoF**") is sent to you as a Public Shareholder (*as defined below*) of Hi-Klass Trading and Investment Limited ("**HI-KLASS**"/"**Target Company**"). If you require any clarifications about the action to be taken, you may consult your stock broker or Investment Consultant or Manager to the Offer (*as defined below*) or Registrar to the Offer (*as defined below*). In case you have recently sold your shares in the Target Company, please hand over the Letter of Offer and the accompanying form of acceptance and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

Mrs. Mythily Thanghavel ("**Acquirer 1**")
Residing at: 5/207, Teacher's Colony West, Mohanpur Road, Namakkal, Tamilnadu-637001.
Contact No.: +91 9688335555; **Email ID:** mythy.mighty@gmail.com

and

Mr. Pandamangalam Ramasamy Srinivasan ("**Acquirer 2**")
Residing at: 5/13, Old Post Office Street, Pandamangalam, Dist. Namakkal, Tamilnadu-637208.
Contact No.: +91 9443515157; **Email ID:** prsvijaya@gmail.com

and

Mr. Sadaiappan Gopalsamy ("**Acquirer 3**")
Residing at: 37/A, Pathi Nagar, Salem Road, Namakkal-637001.
Contact No.: +91 9952068872; **Email ID:** gopalnivash@gmail.com

to acquire up to 16,15,300 fully paid-up Equity Shares of ₹5 each representing 26.00% of the Voting Share Capital of the Target Company at a price of ₹5.70 per Equity Share ("**Offer Price**"), payable in cash in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto ("**SEBI (SAST) Regulations, 2011**") from the Public Shareholders

OF

HI-KLASS TRADING AND INVESTMENT LIMITED

(*CIN*: *L51900MH1992PLC066262*)
Regd. Office: Office No. 15, 2nd Floor, Plot No. 24, Rehman Building, Veer Nariman Road, Hutatma Chowk, Fort, Mumbai-400001
Tel. No.: +91 22 2287 4084/85; **Email ID:** info@hiklass.co.in; **Website:** www.hiklass.co.in

1) This Offer is being made by the Acquirers pursuant to Regulations 3(1) and 4 of SEBI (SAST) Regulations, 2011.
2) This Offer is not conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations, 2011 and is not subject to any minimum level of acceptance.
3) This Open Offer is not a competing offer in terms of Regulations 20 of SEBI (SAST) Regulations, 2011.
4) As on date of this DLoF, to the best of the knowledge of the Acquirers, there are no Statutory Approvals required to acquire Equity Shares that are validly tendered pursuant to this Open Offer, except for the approval of Reserve Bank of India. However, in case of any other statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period, this Open Offer shall be subject to the receipt of such approvals.
5) If there is any upward revision in the Offer Price/Offer Size at any time prior to commencement of one (1) working day before the commencement of the Tendering Period in terms of the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement ("**DPS**") was published. Such revised Offer Price would be payable to all the Public Shareholders, who have validly tendered their Equity Shares anytime during the Tendering Period to the extent their Equity Shares have been verified and accepted under the Offer, by the Acquirer. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, the same would be communicated within 2 (two) working days by an announcement in the same newspapers in which the DPS was published.
6) There has been no competing offer to the Open Offer as of the date of this Draft Letter of Offer ("**DLoF**").
7) If there is a competing offer at any time hereafter, the offers under all subsisting bids will open and close on the same date.

A copy of the Public Announcement ("**PA**"), Detailed Public Statement ("**DPS**"), Draft Letter of Offer ("**DLoF**") and Letter of Offer ("**LoF**") (including the Form of Acceptance-cum-Acknowledgement) will also available on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Mark Corporate Advisors Private Limited *CIN*: *U67190MH2008PTC181996* 404/1, L4, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (E), Mumbai-400 057. Maharashtra. India. **Tel. No.:** +91 22 2612 3208 **Email ID:** openoffer@markcorporateadvisors.com **Contact Person:** Mr. Manish Gaur **SEBI Reg. No.:** INM000012128	**Purva Sharegistry (India) Private Limited** *CIN: U67120MH1993PTC074079* Unit No. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai-400 011. Maharashtra. India. **Tel. No.:** +91 22 2301 0771/4961 4132 **Fax No**.: +91 22 2301 2517 **Email ID:** support@purvashare.com **Contact Person:** Ms. Deepali Dhuri **Website:** www.purvashare.com **SEBI Reg. No.:** INR000001112
Offer Opens on : April 06, 2023	**Offer Closes on** : April 21, 2023

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES PERTAINING TO THE OFFER:

Nature of Activity	Day & Date [1]
Date of the Public Announcement	Wednesday, February 08, 2023
Date of publishing the Detailed Public Statement	Wednesday, February 15, 2023
Last date for filing of Draft Letter of Offer with SEBI	Wednesday, February 22, 2023
Last date of a competing offer	Thursday, March 09, 2023
Latest date by which SEBI's observations will be received	Thursday, March 16, 2023
Identified Date [2]	Monday, March 20, 2023
Last date by which the Letter of Offer will be dispatched to the Public Shareholders (*Except the Acquirers/Persons deemed to be acting in concert with the Acquirer 1/Promoter Sellers*) as on the identified date	Tuesday, March 28, 2023
Last date by which the recommendation of the committee of Independent Directors of the Target Company will be given and published	Friday, March 31, 2023
Last Date for revising the Offer Price/number of shares	Monday, April 03, 2023
Date of Public Announcement for Opening the Offer	Wednesday, April 05, 2023
Date of Commencement of the Tendering Period ("**Offer Opening Date**")	Thursday, April 06, 2023
Date of Closing of the Tendering Period ("**Offer Closing Date**")	Friday, April 21, 2023
Last date for communicating rejection/acceptance and payment of consideration for accepted equity shares/credit of unaccepted shares to demat account	Tuesday, May 09, 2023

Notes:

[1] *The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations), 2011 and are subject to receipt of relevant approvals from various statutory/regulatory authorities and may have to be revised accordingly.*

[2] *The Identified Date is only for the purpose of determining the names of the Public Shareholders as on such date to whom the Letter of Offer will be sent. It is clarified that all the holders (registered or unregistered) of Equity Shares of the Target Company except the Acquirers/ Persons deemed to be acting in concert with the Acquirer 1/Promoter Sellers are eligible to participate in this Offer any time during the tendering period of the Offer.*

RISK FACTORS:

Given below are the risks related to the proposed Offer and those associated with the Acquirers:

Relating to the Proposed Offer:

1) This Offer is not subject to the receipt of any statutory approvals, except for the approval of Reserve Bank of India. If any Statutory Approval is required or become applicable at a later date, the Acquirers shall make the necessary applications for such Statutory Approvals and therefore, in the event that either the statutory approvals or regulatory approvals, if any, are not received in a timely manner or there is any litigation to stay the Offer, or SEBI instructs the Acquirers not to proceed with the Offer, the Offer process may be delayed beyond the schedule of activities indicated in this DLoF. Consequently, the payment of consideration to the Public Shareholders of Target Company, whose Equity Shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers, may be delayed. Where the statutory approvals extend to some but not all of the Public Shareholders, the Acquirers shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the Public Shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11A) of the SEBI (SAST) Regulations, 2011.

2) In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, 2011, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the shareholders in the Offer will be accepted.

3) Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of equity shares under this Offer and dispatch of consideration are delayed.

Relating to the Acquirers:

1) The Acquirers 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 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.

2) The Acquirers and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement ('**PA**')/Detailed Public Statement ('**DPS**')/Draft Letter of Offer ('**DLoF**')/Letter of Offer ('**LoF**') and anyone placing reliance on any other sources of information, not released by the Acquirers, would be doing so at his / her / its own risk.

The Risk Factors set forth above pertain to the Offer and do not relate to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choice, if any, for further risks with respect to each such Shareholder's participation in the Offer.

TABLE OF CONTENTS

1. ABBREVIATIONS/DEFINITIONS

Acquirer 1	Mrs. Mythily Thanghavel
Acquirer 2	Mr. Pandamangalam Ramasamy Srinivasan
Acquirer 3	Mr. Sadaiappan Gopalsamy
Acquirers	Acquirer 1, Acquirer 2 and Acquirer 3
BSE	BSE Limited, Mumbai
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956 and Companies Act, 2013
CP	Conditions Precedent
DP	Depository Participant
DPS/Detailed Public Statement	Detailed Public Statement relating to the Offer published on February 15, 2023
DLoF/Draft Letter of Offer	This Draft Letter of Offer dated February 22, 2023
Eligible Shareholders/ Public Shareholders	All shareholders of the Target Company who are eligible to tender their Equity Shares in the Open Offer, excluding parties to the underlying Share Purchase Agreement ("**SPA**") and all persons deemed to be acting in concert with such parties
Equity Shares	Fully paid-up Equity Shares of the Target Company of the face value of ₹5 each
Escrow Account	Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer
Escrow Amount	Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer
Escrow Bank	Yes Bank Limited
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FIIs/FPIs	Foreign Institutional Investors / Foreign Portfolio Investors registered with SEBI
Identified Date	March 20, 2023 i.e., date falling on the tenth (10th) Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom this Letter of Offer shall be sent
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
INR/Rs./ ₹	Indian Rupees, the legal currency of India
Hi-Klass/Target Company	Hi-Klass Trading and Investment Limited
Manager/Manager to the Offer	Mark Corporate Advisors Private Limited
MICR	Magnetic Ink Character Recognition
NA/N.A.	Not Applicable
Non-Resident Shareholder(s)	Person resident outside India as defined under FEMA, holding Equity Shares of the Target Company
NRI	Non-Resident Indian
OCBs	Overseas Corporate Bodies
Offer period	Period from the date of entering into an agreement to acquire Equity Shares, Voting Rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn
Offer/Open Offer	The Open Offer is made by the Acquirers to the Public Shareholders to acquire up to 16,15,300 Equity Shares representing 26.00% of Voting Share Capital of the Target Company
Offer Price	₹5.70 per Equity Share
Offer Size	Up to 16,15,300 Equity Shares representing 26.00% of Voting Share Capital of the Target Company at a price of ₹5.70 per Equity Share, aggregating to ₹92,07,210
PA/Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirers on February 08, 2023
PACs	Persons Acting in Concert
PACs to Acquirer 1	(i) Mr. Somasundaram Kiruthigan Lokesh; and (ii) Mr. Sharath Kumar Marimuthu
Promoters	Promoters of Hi-Klass Trading and Investment Limited as per Regulation 31(1)(b) of SEBI (LODR) Regulations, 2015

Promoter Seller 1	Mr. Sanjay Kumar Jain
Promoter Seller 2	Mrs. Suman Jain
Promoter Sellers/Selling Shareholders	Promoter Seller 1 and Promoter Seller 2
Registrar/Registrar to the Offer	Purva Sharegistry (India) Private Limited
RTGS	Real Time Gross Settlement
Sale Shares	17,77,000 Equity Shares of ₹5 each of Hi-Klass Trading and Investment Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, and subsequent amendments thereof
SEBI (SAST) Regulations, 2011/SEBI Takeover Code/Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto
SPA/Share Purchase Agreement/Agreement	Share Purchase Agreement dated February 08, 2023
Stock Exchange	BSE Limited, Mumbai
Tendering Period	Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including April 06, 2023 and April 21, 2023
Voting Share Capital	Paid-up Equity Share Capital of ₹3,10,62,000 comprising of 62,12,400 Equity Shares of ₹5 each fully paid-up
Working Day	Working day as defined under the SEBI (SAST) Regulations, 2011 in Mumbai.

Note: *All capitalized terms used in the Draft Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI (SAST) Regulations, 2011.*

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF HI-KLASS TRADING AND INVESTMENT LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 22, 2023 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1. BACKGROUND OF THE OFFER

3.1.1. This Open Offer is being made by Mrs. Mythily Thanghavel ("**Acquirer 1**"), Mr. Pandamangalam Ramasamy Srinivasan ("**Acquirer 2**") and Mr. Sadaiappan. Gopalsamy ("**Acquirer 3**") (hereinafter collectively referred to as "**Acquirers**") to the Public Shareholders of Hi-Klass Trading and Investments Private Limited ("**Hi-Klass**"/"**Target Company**") pursuant to and in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 to acquire upto 16,15,300 Equity Shares of face value of ₹5 each representing 26.00% of the Voting Share Capital ("**Offer Size**") of the Target Company at a price of ₹5.70 (Rupees Five and Paise Seventy only) per Equity Share ("**Offer Price**"), payable in cash, aggregating to a total consideration of ₹92,07,210 (assuming full acceptance) subject to the terms and conditions set out in the PA, DPS, DLoF and LoF that will be sent to the Public Shareholders of the Target Company.

3.1.2. The details of the Transactions which triggered the Open Offer are as under:

The Acquirers have entered into a Share Purchase Agreement ("**SPA**") with the existing Promoter and Promoter Group ("**Promoter Sellers**"/"**Selling Shareholders**") of the Target Company for 17,77,000 Equity Shares representing 28.60% of the Voting Share Capital of the Target Company at a price of ₹5 per equity share. The details of the acquisitions through SPA are as under:

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre-Transaction		Post Transaction	
			No of Shares	% vis a vis total Share Capital	No of Shares	% vis a vis total Share Capital
1)	**Mr. Sanjay Kumar Jain ("Promoter Seller 1")** *PAN*: AEFPJ2439F *Address*: 44, Hazra Road, 8th Floor, Above Mukesh Hyundai Showroom, Ballygunge, Kolkata-700019.	Yes	11,74,200	18.90%	Nil	N.A.

<table>
<tr><th rowspan="3">Sr. No.</th><th rowspan="3">Name, PAN & Address</th><th rowspan="3">Part of Promoter Group (Yes/No)</th><th colspan="4">Details of Shares/Voting Rights held by the Selling Shareholders</th></tr>
<tr><th colspan="2">Pre-Transaction</th><th colspan="2">Post Transaction</th></tr>
<tr><th>No of Shares</th><th>% vis a vis total Share Capital</th><th>No of Shares</th><th>% vis a vis total Share Capital</th></tr>
<tr><td>2)</td><td>Mrs. Suman Jain
(“Promoter Seller 2”)

PAN: ACQPJ1880K

Address:
44, Hazra Road, 8th Floor, Above Mukesh Hyundai Showroom, Ballygunge, Kolkata-700 019.</td><td>Yes</td><td>6,02,800</td><td>9.70%</td><td>Nil</td><td>N.A.</td></tr>
<tr><td colspan="3">TOTAL</td><td>17,77,000</td><td>28.60%</td><td>Nil</td><td>N.A.</td></tr>
</table>

N.A. - Not Applicable.

3.1.3. The Sellers have not 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.

3.1.4. The common Salient features of the Share Purchase Agreement (“**SPA**”) are as under:

SALE AND PURCHASE OF THE SALE SHARES

(i) On the Execution Date, the Promoter Seller shall provide (i) a copy of the Financial Accounts duly certified by the management of the Company (ii) a statement of cash and cash equivalent, as agreed between the Parties for calculation of the Purchase Consideration, duly certified by the management, upto the satisfaction of the Acquirers, confirming investments and the bank/cash balances;

(ii) Subject to completion of the terms and conditions of this Agreement, including the fulfilment of the Conditions Precedent (or waiver of the Conditions Precedent in accordance with Clause 3.5), and relying on the representations, warranties, covenants and undertakings provided by the Promoter Seller and the indemnities provided by the Promoter Seller in the manner specified herein, on the Completion Date, the Acquirers shall purchase from each of the Sellers and each of the Sellers shall sell to the Acquirers, their Respective Sale Shares, free from all Encumbrances, together with full legal and beneficial right, title and interest thereto, for the Respective Purchase Consideration, to be paid by the Acquirers to each of the Sellers. The title to the Respective Sale Shares shall be transferred to the Acquirers upon payment of the Respective Purchase Consideration in accordance with Clause 5.4.

(iii) The Acquirers agree that subsequent to the Completion Date, the Promoter Seller shall cease to be in ‘control’ (as the term is defined under the Takeover Regulations) over the Company and the Sellers shall no longer be part of the ‘promoter and promoter group’ of the Company. The Acquirers and the Company shall take all such steps as may be necessary (including, in the context of the Acquirers, by exercise of the voting rights in relation to the Sale Shares) in accordance with Applicable Laws, including RBI and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to ensure that the Sellers are no longer classified as part of the ‘promoter and promoter group’ of the Company.

PURCHASE CONSIDERATION

(i) Relying on the representations, warranties, covenants and undertakings provided by the Promoter Seller, price per Equity Share shall be INR Rs. 5.00/- (Indian Rupees Five only).

(ii) An earnest money deposit of Rs. 50,00,000/- (Rupees Fifty Lakhs only) will be paid for the Sale Shares at the time of execution of this Agreement. The Purchase Consideration after adjusting the earnest money deposit would be paid upon the Completion of the takeover formalities under this Agreement.

(iii) It is agreed to between the Sellers and the Acquirers that the Purchase Consideration derived pursuant to this Clause 2.4 shall be the consideration for the entire Sale Shares notwithstanding that the transaction may be consummated in multiple tranches and at different intervals.

(iv) The Purchase Consideration shall be paid by the Acquirers on Completion in accordance with Clause 5.

CONDITIONS PRECEDENT

(i) The obligation of the Acquirers to purchase the Sale Shares is subject to the following conditions and the delivery and execution of the following items in form and substance satisfactory to the Acquirers , any one or more of which may be waived in writing by the Acquirers , at its sole discretion (“Sellers Conditions Precedent”):

(a) each of the Sellers Warranties being true and correct in all respects on the date hereof and remaining true and correct in all respects on the Completion Date,

(b) absence of Material Adverse Event;

(c) the Company and the Sellers shall have performed or complied with all agreements, obligations and conditions contained in this Agreement, that are required to be performed or complied with by them on or before Completion, and the Sellers not being in material breach or default of the Agreement;

(d) no Governmental Authority, have enacted, issued, promulgated or enforced any Applicable Law or, has issued any order that prohibits or restricts any Party from consummating the sale and purchase of the Sale Shares, receipt and payment of the Purchase Consideration or exercise of any rights attached to the Sale Shares by the Acquirers ;

(e) receipt of approval of the RBI and SEBI, inter alia, for change in control and management of the Company and the purchase of the Sale Shares by the Acquirers pursuant to the Open Offer; and

(f) fulfilment of each of the condition’s precedent set out in Schedule 6 (Conditions Precedent).

(ii) The obligation of each of the Seller to sell their Respective Sale Shares is subject to the following conditions and the delivery and execution of the following items in form and substance satisfactory to the Sellers, any one or more of which may be waived in writing by each of the Sellers, at their sole discretion (“Purchaser Conditions Precedent”):

(a) each of the Purchaser Warranties being true and correct in all respects on the date hereof and remaining true and correct in all respects on the Completion Date;

(b) the Acquirers shall have performed or complied with all agreements, obligations and conditions contained in this Agreement, that are required to be performed or complied with by them on or before Completion, and the Acquirers not being in material breach or default of the Agreement;

(c) no Governmental Authority shall have enacted, issued, promulgated or enforced any Applicable Law that prohibits or restricts any Party from consummating the sale and purchase of the Sale Shares, receipt and payment of the Purchase Consideration or exercise of any rights attached to the Sale Shares by the Purchaser;

(d) receipt of approval of the RBI and SEBI, inter alia, for change in control and management of the Company and the purchase of the Sale Shares by the Acquirers pursuant to the Open Offer.

(iii) The Parties shall take all necessary steps to ensure satisfaction of the Conditions Precedent as soon as possible after the date of this Agreement and in any event not later than the Long Stop Date.

(iv) If, at any time, any of the Party becomes aware of a fact or circumstance that might prevent a Condition Precedent from being satisfied, they shall immediately, and in any event within 2 (two) days thereof, inform the other Parties in writing.

(v) Upon satisfaction (or waiver thereof by the Party(ies) to the extent permitted by Applicable Law) of all the Conditions Precedent, the relevant Party shall promptly certify such satisfaction to the other Parties, in the form and manner set out in Schedule 7 (CP Satisfaction Certificate). Such certification shall, to the extent relevant, be accompanied with the documents evidencing such fulfilment and allowing the receiving Party to assess the fulfilment of the relevant Condition Precedent, to the reasonable satisfaction of the relevant Parties.

(vi) If any of the Conditions Precedent are not fulfilled, or waived by agreement between the Parties, or there is Material Adverse Effect by the Long Stop Date, the Parties may, by mutual written agreement:

(a) extend the Long Stop Date upto such date as may be agreed in writing by the Parties;

(b) proceed to Completion to the extent practicable; or

(c) terminate this Agreement by giving a notice in writing to the other Parties, in which event the Agreement shall terminate with effect from the date of such notice, unless otherwise specified therein.

(vii) If the Parties terminate this Agreement pursuant to Clause 3.6.3, each Party's rights and obligations shall cease immediately on such termination.

3.1.5. The Proposed change in control of the Target Company is not through any Scheme of Arrangement.

3.1.6. There may be changes in the composition of Board of Directors of the Target Company after the completion of Offer, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and Regulation 24 of the SEBI (SAST) Regulations, 2011. No proposal in this regard has been finalized as on the date of this DLoF.

3.1.7. As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, 2011, the board of directors of the Target Company is required to constitute a committee of Independent Directors to publish its written reasoned recommendation on the Open Offer to the Public Shareholders of the Target Company and such recommendation shall be published at least 2 (two) Working Days before the commencement of the Tendering Period, in the same newspapers in which the DPS was published.

3.1.8. No other persons/individuals/entities are acting in concert with the Acquirers for the purpose of this Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations, 2011. However, Mr. Somasundaram Kiruthigan Lokesh and Mr. Sharath Kumar Marimuthu, who are related/PACs to the Acquirer 1 hold 7,62,000 Equity Shares representing 12.27% of the Voting Share Capital and 6,00,000 Equity Shares representing 9.66% of the Voting Share Capital of the Target Company respectively aggregating to 13,62,000 Equity Shares representing 21.93% of the Voting Share Capital of the Target Company. Both of them are neither participating nor acting in Concert for the purpose of this Open Offer.

3.2. DETAILS OF THE PROPOSED OFFER

3.2.1. The PA announcing the Open Offer, under Regulations 3(1) and 4 read with Regulations 13, 14 and 15 of the SEBI (SAST) Regulations, 2011 was made on February 08, 2023 and was submitted with SEBI, BSE and the Target Company on the same day through e-mail and the hard copy of the same was submitted to SEBI on February 09, 2023.

3.2.2. In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, 2011, the DPS was published on February 15, 2023 in the following newspapers:

Publication	Language	Edition(s)
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition

The Public Announcement and Detailed Public Statement are also available on the website of SEBI at www.sebi.gov.in.

A copy of the DPS was filed through the Manager to the Offer with SEBI, BSE and the Target Company through e-mail on February 15, 2023. The hard copy of the same was submitted to SEBI on February 15, 2023.

3.2.3. This Offer is made by the Acquirers to all Public Shareholders, to acquire up to 16,15,300 Equity Shares representing 26.00% of the Voting Share Capital, at a price of ₹5.70 per Equity Share, to be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011 and subject to the terms and conditions set out in the PA, the DPS and DLoF.

3.2.4. There is no differential pricing for the Offer.

3.2.5. This is not a Competing Offer in terms of Regulation 20 of the Regulations. There has been no competing offer as of the date of this Draft Letter of Offer.

3.2.6. The Offer is unconditional and not subject to any minimum level of acceptance from the shareholders. In terms of Regulation 19(1) of the SEBI (SAST) Regulations, 2011, the Acquirers will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 16,15,300 Equity Shares representing 26.00% of the Voting Share Capital of the Target Company.

3.2.7. The Acquirers have not acquired any shares of the Target Company after the date of PA i.e., February 08, 2023 and up to the date of this DLoF.

3.2.8. The Acquirers will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011 in the event Statutory Approvals are refused. In the event of withdrawal of this Offer, a Public Announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which the DPS has been published and such Public Announcement will also be sent to SEBI, BSE and the Target Company.

3.2.9. As on date, the Manager to the Offer does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations, 2011.

3.2.10. The Equity Shares of the Target Company acquired by the Acquirers shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.11. As per Regulation 38 of the SEBI (LODR) Regulations, 2015 read with Rules 19(2) and 19A of the SCRR, the Target Company is required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the acquisition of Equity Shares in this Open Offer, the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws.

3.3. OBJECT OF THE OFFER

3.3.1. This Offer is being made to the public shareholders of Target Company pursuant to and in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011.

3.3.2. At present, the Acquirers 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 main purpose of takeover is to expand the Company's existing business activities in the same line through exercising the effective management and control over the Target Company. The Acquirers may reorganize the present Capital structure of the Company and also further strengthen the Board.

3.3.3. The Object of the acquisition is substantial acquisition of Shares/Voting Rights of the Target Company and to control over the Target Company.

3.3.4. The Acquirers do 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 of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of regulation 25(2) of the Regulations.

4. BACKGROUND OF THE ACQUIRERS

4.1. Information about Mrs. Mythily Thanghavel ("Acquirer 1")

4.1.1. **Mrs. Mythily Thanghavel**, D/o Mr. Thanghavel, aged about 29 years, presently residing at 5/207, Teachers Colony West, Mohanpur Road, Namakkal, Tamilnadu-637001 is having Contact No.: +91 9688335555 and Email ID: mythy.mighty@gmail.com. Her Permanent Account Number under Indian Income Tax Act is BLLPT 6864

J. She did Bachelor of Engineering from Avinashilingam University for Women, Coimbatore. Thereafter, she completed Master of Business Administration in the year 2013 from Bharathiar University, Coimbatore. She has around 5 years of Experience in Digital Marketing by virtue of Promoter/Director in Stan Ventures Private Limited.

4.1.2. Acquirer 1 is not part of any group.

4.1.3. As on date, Acquirer 1 does not hold any Equity Share of the Target Company. However, Acquirer 1 has entered in to a Share Purchase Agreement on February 08, 2023 to acquire 17,41,000 Equity Shares representing 28.02% of the Voting Share Capital of the Target Company from the Selling Shareholders. Apart from this Mr. Somasundaram Kiruthigan Lokesh and Mr. Sharath Kumar Marimuthu, who are related/PACs to the above Acquirer 1 hold 7,62,000 Equity Shares representing 12.27% of the Voting Share Capital and 6,00,000 Equity Shares representing 9.66% of the Voting Share Capital of the Target Company respectively aggregating to 13,62,000 Equity Shares representing 21.93% of the Voting Share Capital of the Target Company. None of the PACs mentioned here are either participating or acting in Concert in this Open Offer.

4.1.4. Acquirer 1 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992, as amended or any other Regulations made under the SEBI Act.

4.1.5. The Net worth of Acquirer 1 is ₹290.54 Lakhs as on January 31, 2023 as certified by CA S. Natarajan (Membership No. 025257), Partner of M/s. Elangovan & Natarajan (Firm Registration No. 000799S), vide certificate dated February 04, 2023, having office at #66, Thapathi Street, Nedunchalai Nagar, Salem-636005, Contact No.: +91 9362249181 and Email ID: natsalem4@gmail.com.

4.2. Information about Mr. Pandamangalam Ramasamy Srinivasan ("Acquirer 2")

4.2.1. Mr. Pandamangalam Ramasamy Srinivasan, S/o Mr. Ramasamy, aged about 61 years, is presently residing at 5/13, Old Post Office Street, Pandamangalam, District Namakkal, Tamilnadu-637208 having Contact No.: +91 9443515157 and Email ID: prsvijaya@gmail.com. His Permanent Account Number under Indian Income Tax Act is AMIPS 6490 A. He completed Bachelor of Science from University of Madras, Chepauk. He has around 35 years of experience in the field of Banking Sector and has worked on different role as Clerk, Cashier, Deputy Manager and Branch Head in Karur Vysya Bank between the year 1986 and 2021.

4.2.2. Acquirer 2 is not part of any group.

4.2.3. As on date, Acquirer 2 does not hold any Equity Share of the Target Company. However, Acquirer 2 has entered into a Share Purchase Agreement on February 08, 2023 to acquire 18,000 Equity Shares representing approximately 0.29% of the Voting Capital of the Target Company from the Selling Shareholders.

4.2.4. Acquirer 2 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or any other Regulations made under the SEBI Act.

4.2.5. The Net worth of Acquirer 2 is ₹142.85 Lakhs as on December 31, 2022 as certified by CA L. Albert Karunakaran (Membership No. 216635). Proprietor of M/s. Albert and Associates (Firm Registration No. 011743S), vide certificate dated January 30, 2023 having office at #18 Padmanaban Street, North Usman Road, T Nagar, Chennai-600017, Contact No.: +91 44 42141222 and Email ID: albertkarunakaran@gmail.com/ albert@albertassociates.net.

4.3. Information about Mr. Sadaiappan Gopalsamy ("Acquirer 3")

4.3.1. Mr. Sadaiappan. Gopalsamy, S/o Mr. R Sadaiyappan, aged about 66 years, is presently residing at 37/A, Pathi Nagar, Salem Road, Namakkal-637001 having Contact No.: +91 9952068872 and Email ID: gopalnivash@gmail.com. His Permanent Account Number under Indian Income Tax Act is ACGPG 1618 Q. He did Master of Science (Agriculture) from Tamilnadu Agricultural University, Coimbatore. He has around 37 years of Experience in Banking Sector and has worked on different role as in-charge in Credit Department, Branch Manager, Senior Manager etc. in Bank of Baroda between the year 1981 and 2016.

4.3.2. Acquirer 3 is not part of any group.

4.3.3. As on date, Acquirer 3 does not hold any Equity Share of the Target Company. However, Acquirer 3 has entered into a Share Purchase Agreement on February 08, 2023 to acquire 18,000 Equity Shares representing 0.29% of the Voting Capital of the Target Company from the Selling Shareholders.

4.3.4. Acquirer 3 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or any other Regulations made under the SEBI Act.

4.3.5. **The** Net worth of Acquirer 3 is ₹407.86 Lakhs as on December 31, 2022 as certified by CA L. Albert Karunakaran (Membership No. 216635). Proprietor of M/s. Albert and Associates (Firm Registration No. 011743S), vide certificate dated January 30, 2023 having office at #18 Padmanaban Street, North Usman Road, T Nagar, Chennai-600017, Contact No.: +91 44 42141222 and Email ID: albertkarunakaran@gmail.com/ albert@albertassociates.net.

4.4. Based on the information available, the Acquirers are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI and are in compliance with Regulation 6A of SEBI (SAST) Regulations, 2011.

4.5. Based on the information available, the Acquirers have not been declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) and are in compliance with Regulation 6B of SEBI (SAST) Regulations, 2011.

4.6. There are no Persons Acting in Concert in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011. However, Mr. Somasundaram Kiruthigan Lokesh and Mr. Sharath Kumar Marimuthu, who are related/PACs to the Acquirer 1 hold 7,62,000 Equity Shares representing 12.27% of the Voting Share Capital and 6,00,000 Equity Shares representing 9.66% of the Voting Share Capital of the Target Company respectively aggregating to 13,62,000 Equity Shares representing 21.93% of the Voting Share Capital of the Target Company. Both of them are neither participating nor acting in Concert for the purpose of this Open Offer.

4.7. There are no directions subsisting or proceedings pending against the Acquirers under SEBI Act, 1992 and regulations made thereunder or by any other Regulator.

4.8. Neither the Acquirers nor any of the entities with whom they are associated, are in securities related business and registered with SEBI as a Market Intermediary..

4.9. As on date, the Acquirers are not having any relationship with/interest in the Target Company, except for the proposed acquisition of 17,77,000 Equity Shares representing 28.60% of the Voting Share Capital of the Target Company through Share Purchase Agreement by all the Acquirers. As on date, neither Acquirers nor any of their representatives are on the Board of the Target Company.

5. BACKGROUND OF THE TARGET COMPANY-HI-KLASS TRADING AND INVESTMENT LIMITED

5.1. The Target Company, bearing CIN L51900MH1992PLC066262 was incorporated on April 08, 1992 in the name of 'Hi-Klass Trading and Investments Private Limited' in the State of Maharashtra pursuant to the provisions of the Companies Act, 1956. Subsequently, the name was changed to 'Hi-Klass Trading and Investment Limited' and a Fresh Certificate of Incorporation consequent upon Change of Name was issued by the Registrar of Companies, Maharashtra, Mumbai on February 22, 1996. There has been no change in the name of the Company during the last three years.

5.2. The Registered Office is currently situated at Office No. 15, 2nd Floor, Plot No. 24, Rehman Building, Veer Nariman Road, Hutatma Chowk, Fort, Mumbai-400001.

5.3. The Target Company is engaged in the business of trading and investment in shares, stocks, securities and properties and extends short term loans to corporates and non-corporates.

5.4. The Authorized Share Capital of the Target Company is ₹6,50,00,000 comprising of 1,30,00,000 Equity Shares of ₹5 each. The Paid-Up Equity Share Capital of the Target Company is ₹3,10,62,000 comprising of 62,12,400 Equity Shares of ₹5 each fully paid up.

5.5. The Equity Shares of the Target Company are listed on BSE Limited, Mumbai ("**BSE**") having a scrip code as 542332. The Equity Shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(j) of the Regulations. The ISIN of the Target Company is INE302R01024.

5.6. As on date, the Target Company is fully compliant with the listing requirements. Further, there has not been any penal/punitive action taken by the Stock Exchange.

5.7. Share Capital Structure:

The Equity Share Capital Structure of the Target Company is as follows:

Paid-up Shares	No. of Equity Shares/Voting Rights	% of Equity Shares/Voting Rights
Fully Paid-up Equity Shares	62,12,400	100.00%
Partly Paid-up Equity Shares	Nil	N.A.
Total Paid-up Equity Shares	62,12,400	100.00%

5.8. As of the date of this Draft Letter of Offer, there are no: (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company. Further, there is no differential pricing for the Offer. There has been no merger/de-merger or spin off in the Target Company during the past three years.

5.9. Details of the Board of Directors of the Target Company:

As on the date, the Directors representing the Board of the Target Company are:

Sr. No.	Name of the Director, DIN, PAN & Designation	Date of Appointment	No of Shares held in the TC	
			No. of Shares	%
1)	**Mr. Sanjay Kumar Jain** *Designation*: Executive Director *DIN*: 00415316 *PAN*: AEFPJ2439F	March 01, 2021	11,74,200	18.90%
2)	**Mrs. Monica Sanket Khemuka** *Designation*: Non-Executive Independent Director *DIN*: 08034330 *PAN*: AAJPA4172E	March 01, 2021	NIL	N.A.
3)	**Mrs. Sonu Agarwal** *Designation*: Non-Executive Independent Women Director *DIN*: 09065415 *PAN*: AAJPA4172E	March 01, 2021	NIL	N.A.
4)	**Ms. Papri Ghosh** *Designation*: Non-Executive Independent Director *DIN*: 09071577 *PAN*: BNFPG1221A	March 01, 2021	NIL	N.A.

N.A. – Not Applicable

5.10. The Un-Audited Key Financial Information as at and for the six months period ended September 30, 2022 and Audited key Financial Information as at financial year ended March 31, 2022, March 31, 2021 and March 31, 2020 of the Target Company are as under:

Profit and Loss Statement:

(*Amount in Lakhs*)

Particulars	For Six months period ended	For the financial year ended		
	September 30, 2022	FY 2021-2022	FY 2020-2021	FY 2019-2020
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Revenue from Operations	3.07	21.73	13.20	14.42
Total Income	**3.07**	**21.73**	**13.20**	**14.42**
Expenses:				
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	-	3.92	111.67	-
Employee Benefit Expenses	1.68	3.79	4.75	5.50
Other Expenses	4.72	7.05	12.83	6.79
Sub-Total	**6.40**	**14.76**	**129.26**	**12.29**
Finance Cost	-	0.03	-	-
Depreciation and Amortization Expenses	-	6.88	0.01	0.01
Total Expenses	**6.40**	**21.67**	**129.26**	**12.30**
Profit / (Loss) before extraordinary, exceptional items and tax	**(3.33)**	**0.06**	**(116.06)**	**2.12**
Profit / (Loss) before Tax	**(3.33)**	**0.06**	**(116.06)**	**2.12**
Tax Expenses:				
Current Tax	-	-	-	(0.53)
Deferred Tax	-	-	(0.01)	-
Net Profit / (Loss) for the year	**(3.33)**	**0.06**	**(116.07)**	**1.59**

Statement of Assets and Liabilities:

(*Amount in Lakhs*)

Particulars	As on	As on		
	September 30, 2022	FY 2021-2022	FY 2020-2021	FY 2019-2020
	(Un-Audited)	(Audited)	(Audited)	(Audited)
ASSETS:				
Non-Current Assets:				
Property, Plant & Equipment	0.01	0.01	0.01	0.01
Financial Assets:				
Investment				
Other Financial Assets	-	-	-	-
Deferred tax Assets (Net)	-	-	-	-
Other Non-Current Assets	20.64	20.64	27.52	34.40
Total Non-Current Assets	**20.65**	**20.65**	**27.53**	**34.41**
Current Assets				
Inventories	9.85	9.85	13.77	50.71
Financial Assets				
Trade Receivables	-	6.17	44.49	119.22
Cash & Cash Equivalents	-	0.79	-	1.63
Investments	165.29	164.10	0.10	0.10
Loans	183.51	-	299.19	295.51
Bank Balances other than Cash and Cash equivalent	2.82	-	0.05	0.02
Other Current Assets	-	183.89	-	-
Non-Financial Assets				
Inventories	-	-	-	-
Property Plant and Equipment	-	-	-	-
Total Current Assets	**361.47**	**364.80**	**357.59**	**467.19**
Total Assets	**382.12**	**385.44**	**385.12**	**501.60**
EQUITY AND LIABILITIES:				

Particulars	As on	As on		
	September 30, 2022	FY 2021-2022	FY 2020-2021	FY 2019-2020
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Equity:				
Equity Share Capital	310.62	386.31	386.31	386.31
Other Equity	70.57	(1.79)	(1.85)	114.22
Total Equity	**381.19**	**384.52**	**384.45**	**500.53**
Liabilities				
Non-Current Liabilities				
Financial Liabilities	-	-	-	-
Trade Payable				
Dues to MSME	-	-	0.30	0.30
Dues to Others (Other than MSME)	0.92	0.915	0.36	0.78
Deferred Tax Liabilities (Net)	0.010	0.011	0.01	-
Other Non-Current Liabilities				
Total Non-Current Liabilities	**0.93**	**0.93**	**0.67**	**1.08**
Current Liabilities:				
Total Current Liabilities	**-**	**-**	**-**	**-**
Total Equity & Liabilities	**382.12**	**385.44**	**385.12**	**501.61**

Other Financial Data:

(*Amount in Lakhs, Except EPS*)

Particulars	For Six Months period ended	For the financial year ended		
	September 30, 2022	2021-2022	2020-2021	2019-2020
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Dividend (%)	0.00%	0.00%	0.00%	0.00%
Earnings Per Share (Rs.)	(0.01)	0.00	(0.37)	0.02
Return on Networth (%)	(0.87%)	0.02%	(30.19%)	0.32%
Book Value (Rs.)	6.14	6.19	6.19	6.48

5.11. Pre and Post-Offer Shareholding Pattern of the Target Company as on date of DLoF are as follows:

Shareholders' Category	Equity Share Capital/ Voting Share Capital prior to SPA and Offer		Voting Share Capital agreed to be acquired which triggered off the Regulations		Equity Share Capital/ Voting Rights to be acquired in the Open Offer (assuming full acceptance)		Equity Share Capital/ Voting Rights after SPA and Offer	
	(A)		(B)		(C)		(D)	
	No.	%	No.	%	No.	%	No.	%
1) Promoter Group								
a) Parties to the Agreement								
Mr. Sanjay Kumar Jain	11,74,200	18.90%	(11,74,200)	(18.90%)	Nil	N.A.	Nil	N.A.
Mrs. Suman Jain	6,02,800	9.70%	(6,02,800)	(9.70%)	Nil	N.A.	Nil	N.A.
b) Promoters other than (a) above	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
Total 1 (a+b)	**17,77,000**	**28.60%**	**(17,77,000)**	**(28.60%)**	Nil	N.A.	Nil	N.A.
2) Acquirers								
Mrs. Mythily Thanghavel	Nil	N.A.	17,41,000	28.02%	16,15,300	26.00%	33,92,300	54.61%
Mr. Pandamangalam Ramasamy	Nil	N.A.	18,000	0.29%				
Mr. Sadaiappan. Gopalsamy	Nil	N.A.	18,000	0.29%				
Total 2	Nil	N.A.	**17,77,000**	**28.60%**	**16,15,300**	**26.00%**	**33,92,300**	**54.61%**
3) Parties to the Agreement other than 1 (a) & (2)	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
Total 3	**Nil**	**N.A.**	**Nil**	**N.A.**	**Nil**	**N.A.**	**Nil**	**N.A.**
4) Public (other than parties to agreement, Acquirers & PACs								

Shareholders' Category	Equity Share Capital/ Voting Share Capital prior to SPA and Offer		Voting Share Capital agreed to be acquired which triggered off the Regulations		Equity Share Capital/ Voting Rights to be acquired in the Open Offer (assuming full acceptance)		Equity Share Capital/ Voting Rights after SPA and Offer	
	(A)		(B)		(C)		(D)	
	No.	%	No.	%	No.	%	No.	%
a. FIs/MFs/FIIs/Banks, SFIs (Indicates name)								
b. Others	44,35,400	71.40%	**Nil**	N.A.	(16,15,300)	(26.00%)	28,20,100	45.39%
Total 4 (a+b)	**44,35,400**	**71.40%**	**Nil**	**N.A.**	**(16,15,300)**	**(26.00%)**	**28,20,100**	**45.39%**
GRAND TOTAL (1+2+3+4)	**62,12,400**	**100.00%**	**Nil**	**N.A.**	**Nil**	**N.A.**	**62,12,400**	**100.00%**

N.A. - Not Applicable.

Note: *a) Mr. Somasundaram Kiruthigan Lokesh and Mr. Sharath Kumar Marimuthu, who are related/PACs to the Acquirer 1 hold 7,62,000 Equity Shares representing 12.27% of the Voting Share Capital and 6,00,000 Equity Shares representing 9.66% of the Voting Share Capital of the Target Company respectively aggregating to 13,62,000 Equity Shares representing 21.93% of the Voting Share Capital of the Target Company. None of the PACs mentioned here are either participating or acting in Concert in this Open Offer.*

b) Total Number of Public Shareholders as on December 31, 2022 are 273.

5.12. Details of the Compliance Officer:

Name	**:**	Mrs. Neha Kedia
Registered Office Address	**:**	Office No. 15, 2nd Floor, Plot No. 24, Rehman Building, Veer Nariman Road, Hutatma Chowk, Fort, Mumbai-400001
Contact No.	**:**	+91 22 2287 4084/85
E-Mail ID	**:**	info@hiklass.co.in

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. JUSTIFICATION OF OFFER PRICE

6.1.1. The Equity Shares of the Target Company are presently listed on BSE Ltd, Mumbai **("BSE")** (Scrip Code: 542332 and Symbol: Hi-Klass). The Equity Shares of the Target Company is frequently traded on BSE during the twelve (12) calendar months preceding the month in which PA was made as set out under Regulation 2(1) (j) of the Regulations.

6.1.2. The annualized trading turnover of the Equity Shares of the Target Company during Twelve (12) calendar months preceding the month of PA (February 2022 to January 2023) on the Stock Exchange on which the Equity Shares of the Target Company are traded is detailed below:

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares
BSE Limited	11,97,440	62,12,400	19.27%

(*Source*: *www.bseindia.com*)

6.1.3. The Offer Price of ₹5.70 is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011 on the basis of the following:

Sr. No.	Particulars		Amount in ₹
a)	Negotiated Price as per SPA	**:**	₹5.00
b)	The volume-weighted average price paid or payable for acquisition by the Acquirers, during 52 weeks preceding the date of PA	**:**	Not Applicable
c)	The highest price paid or payable for any acquisition, by the Acquirers, during 26 weeks preceding the date of the PA	**:**	Not Applicable
d)	The volume-weighted average market price of Equity shares of the Target Company for a period of sixty (60) trading days immediately preceding the date of PA as traded on BSE, being the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	**:**	No Shares Traded
e)	Where the shares are not frequently traded, the price determined by the Valuer taking into account Valuation Parameters per Equity Share including Book Value, Comparable Trading Multiples and such other parameters as are customary for Valuation of Equity Shares	**:**	Not Applicable

Note: The Trading data with respect to BSE has been downloaded from website of BSE i.e., www.bseindia.com.

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

6.1.5. In the event of further acquisition of Equity Shares of the Target Company by the Acquirers during the Offer Period, at a price higher than the Offer Price, the Offer Price will stand revised equal to or more than the highest price paid for such acquisition in terms of regulation 8(8) of the Regulations. However, the Acquirers will not be acquiring any Equity Shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

6.1.6. If the Acquirers acquire Equity Shares of the Target Company during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, they will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021, or open market purchases made in the ordinary course on the Stock Exchange, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.

6.1.7. As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirers are permitted to revise the Offer Price upward at any time prior to commencement of the last one (1) working day before the commencement of the Tendering Period i.e. May 04, 2022 in accordance with Regulation 18(4) of the Regulations. If there is any such upward revision in the Offer Price by the Acquirers or in the case of withdrawal of Offer, the same would be informed by way of the Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirers for all the shares validly tendered in the Offer.

6.1.8. In the event that the number of Equity Shares validly tendered by the Public Shareholders of the Target Company under the Offer is higher than the Offer Size, the Equity Shares received from the Public Shareholders shall be accepted on a proportionate basis, in consultation with the Manager to the Offer.

6.2. DETAILS OF FIRM FINANCIAL ARRANGEMENTS

6.2.1. The total funds required for the implementation of the Offer (assuming full acceptance), i.e., for the acquisition of up to 16,15,300 fully paid-up Equity Shares of face value ₹5 each at a price of ₹5.70 per Equity Share is ₹92,07,210 ("**Maximum Consideration**").

6.2.2. In accordance with Regulation 17(4) of Regulations, the Acquirers have opened a Cash Escrow Account under the name and style of "**HI KLASS TRADING AND INVESTMENT LTD OPEN OFFER ESCROW AC**" ("**Escrow Account**") with Yes Bank Limited ("**Escrow Banker**") bearing account number and deposited an amount of ₹30,00,000 in cash, being 32.58% of the Maximum Consideration. The Acquirers have authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the Regulations. The cash deposit in the Escrow Account has been confirmed vide Certificate dated February 13, 2023 issued by the Escrow Banker.

6.2.3. The Acquirers have adequate financial resources and have made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the Regulations. The Open Offer obligation shall be met by the Acquirers through their own resources and no borrowings from any bank and/or financial institution are envisaged. CA S. Natarajan (Membership No. 025257), Partner of M/s Elangovan & Natrajan, Chartered Accountants (Firm Registration No. 000799S), having office at 28-C, South East Layout, Fairlands, Salem-636016, vide certificate dated February 08, 2023. Contact No.: +91 9443221626 and Email: tslakshmivenkataraman@yahoo.co.in has certified that sufficient resources are available with the Acquirers for fulfilling the obligations under this 'Offer' in full.

6.2.4. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers and to implement the offer in accordance with the Regulations. Further, the Manager to the Offer confirms that the funds/money are in place to fulfil the Open Offer obligations.

6.2.5. In case of any upward revision in the Offer Price or the Offer Size, the value 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 via cash in the Escrow Account by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. OPERATIONAL TERMS AND CONDITIONS

7.1.1. This Offer is being made by the Acquirers to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as on the Identified Date i.e. March 20, 2023; (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date i.e. March 20, 2023; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer, i.e. April 21, 2023, but who are not the registered Equity Shareholders.

7.1.2. This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.

7.1.3. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholders shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.

7.1.4. The Letter of Offer along with Transfer Deed is being dispatched/ sent through electronic mail to all the Public Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the RTA. In case of non-receipt of the LOF, such shareholders may download the same from the website of SEBI i.e. 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 Offer Shares.

7.1.5. Neither the Acquirers, nor the Manager to the Offer or the Registrar to the Offer accepts any responsibilities in any manner for any loss of Equity Share Certificate(s), Share transfer forms and any other Offer acceptance documents, etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.

7.1.6. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such Equity Shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Offer.

7.1.7. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

7.1.8. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tendered their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

7.2. LOCKED-IN SHARES

As on date, the Target Company does not have any Equity Shares under lock-in.

7.3. ELIGIBILITY FOR ACCEPTING THE OFFER

7.3.1. This Offer is being made by the Acquirers to (i) all the Public Shareholders, whose names appear in the register of members of the Target Company as on the Identified Date i.e. March 20, 2023; (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date i.e. March 20, 2023; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer, i.e. April 21, 2023, but who are not the registered Equity Shareholders.

7.3.2. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

7.3.3. The Public Announcement ("**PA**"), the Detailed Public Statement ("**DPS**") and the Letter of Offer ("**LoF**") shall also be available on the website of SEBI i.e., www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Equity Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer from the website of SEBI for applying in the Offer.

7.3.4. By accepting this offer, the Public Shareholders confirm that they are not Persons Acting in Concert with the Acquirers for the purpose of this Offer.

7.3.5. The acceptance of this Offer by the Equity Shareholders of the 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 and should be received by the Registrar to the Offer at the address mentioned in this DLoF on or before the closure of the Tendering Period i.e., April 21, 2023.

7.3.6. The Acquirers reserve the right to revise the Offer Price and/or the Offer Size upwards at any time prior to commencement of one (1) working day before the commencement of the Tendering Period i.e., April 06, 2023, in accordance with the SEBI (SAST) Regulations, 2011 and the revision, if any, in the Offer Price would be announced in the Newspapers. The Acquirers would pay such revised price for all the shares validly tendered during the Tendering Period and accepted under the Offer in accordance with the terms of the Draft Letter of Offer.

7.3.7. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirers in consultation with the Manager to the Offer.

7.3.8. SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 has clarified that shareholders holding securities in physical form are also allowed to tender shares in the Open Offers. However, such tendering shall be as per the provisions of the Regulations.

7.4. STATUTORY APPROVALS

7.4.1. As of the date of this Draft Letter of Offer, to the best of the knowledge of the Acquirers, no Statutory Approvals are required by the Acquirers to complete the underlying transaction and this Open Offer. Further, an application is being made to Reserve Bank of India, Mumbai ("**RBI**") by the Target Company/Acquirers in this regard. In case, if any Statutory Approval(s) are required or become applicable at a later date before the closure of the Tendering Period, this Open Offer shall be subject to the receipt of such Statutory Approval(s). The Acquirers/Target Company shall make the necessary applications for such Statutory Approvals.

In the event of withdrawal of this Offer, for reasons outside the reasonable control of the Acquirers, a Public Announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which this DPS has been published and copy of such Public Announcement will also be sent to SEBI, BSE and to the Target Company at its Registered Office.

7.4.2. In case of delay in receipt of any Statutory Approval(s), pursuant to Regulations 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that delay in receipt of requisite Statutory Approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, may grant an extension of time for the purpose of the completion of this Offer, subject to Acquirers agreeing to pay interest for the delayed period, provided where the Statutory Approval(s) extend to some but not all Equity Shareholders, the Acquirers have the option to make payment to such Shareholders in respect of whom no Statutory Approval(s) are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirers in obtaining any Statutory Approval(s) in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with pursuant to Regulation 17(10)(e) of the Regulations.

7.4.3. NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, an approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity), and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs, FPIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals, along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirers reserves the right to reject such Equity Shares tendered pursuant to this Offer.

7.4.4. No approval is required from any bank or financial institutions for this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

8.1. The Acquirers have appointed Purva Sharegistry (India) Private Limited as the Registrar to the Offer.

8.2. The Registrar would be accepting the documents by Hand Delivery/Regd. Post/Speed Post/Courier at the following specified centre:

Name & Address	Contact Person	Mode of Delivery
Purva Sharegistry (India) Private Limited Unit no. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (E), Mumbai-400011 **Tel No.:** +91 22 2301 0771/4961 4132 **Fax No.:** +91 22 2301 2517 **Email ID:** support@purvashare.com **SEBI Reg. No.:** INR000001112	Ms. Deepali Dhuri	Hand Delivery / Registered Post / Speed Post / Courier

8.3. The Target Company is having connectivity with Central Depository Services (India) Limited ("**CDSL**") and National Securities Depositories Limited ("**NSDL**").

8.4. This Open Offer will be implemented by the Acquirers through Stock Exchange Mechanism made available by BSE Limited, Mumbai ("**BSE**") in the form of a separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations, 2011 and SEBI Circular No. CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015, issued by SEBI as amended via Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and SEBI circular SEBI/HO/CFD/DCRIII/CIR/P/2021/615 dated August 13, 2021, as amended from time to time, including any guidelines and circulars issued by BSE and the Clearing Corporation in relation to the mechanism/process for acquisition of shares through stock exchange ("**Acquisition Window Circulars**").

8.5. BSE Limited, Mumbai ("**BSE**") shall be the Stock Exchange for the purpose of tendering the Equity shares in the Open Offer.

8.6. The Acquirers have appointed S W Capital Private Limited ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made.

The Contact Details of the Buying Broker are mentioned below:

S W Capital Private Limited
4th Floor, Sunteck Centre, 37/40, Subhash Road, Near Garware House, Vile Parle (E), Mumbai-400 057. Maharashtra, India.
Contact Person: Mr. Hemant Shah
Email ID: hemant.shah@swcapital.in
SEBI Registration No.: INZ 230013039 (NSE) / INZ 010013035 (BSE)
Tel. No.: +91 22 4268 7474
Fax No.: + 91 22 4268 7436

8.7. All the Shareholders who desire to tender their Equity Shares under the Open Offer should consult with their respective depository participants and their respective Stock Brokers ('**Selling Broker**') well in advance to understand the process and methodology in relation to tendering of Equity Shares through the Designated Stock Exchange.

8.8. During the Tendering Period, the tender of the Equity Shares by the Equity Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.

8.9. Separate Acquisition window will be provided by the Stock Exchange to facilitate placing of Sell Orders. The Selling Members can enter Orders for Demat Shares as well as Physical Shares.

8.10. The cumulative quantity tendered shall be updated on the website of the Designated Stock Exchange throughout the trading session at specific intervals by the Stock Exchange during tendering period.

8.11. Procedure for tendering Equity Shares in Demat Form:

8.11.1. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Stock Broker/Selling Member indicating details of Shares they wish to tender in the Open Offer.

8.11.2. The Equity Shareholders are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Indian Clearing Corporation Limited (hereinafter referred to as 'Clearing Corporation'). Such Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf and the same shall be validated at the time of order entry.

8.11.3. Shareholders will have to submit Delivery Instruction Slips ('DIS') duly filled in specifying market type as "Open Offer" and execution date along with other details to their respective broker so that Equity Shares can be tendered in Open Offer.

8.11.4. For Custodian participant order 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 the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

8.11.5. Upon placing the bid, the Seller Member(s) shall provide Transaction Registration Slip ("TRS") generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.

8.11.6. In case of receipt of Equity Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted.

8.11.7. The Eligible Persons 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 pro-rata acceptance in the Open Offer.

8.12. Procedure for tendering Equity Shares held in Physical Form:

8.12.1. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below:

(a) Original share certificate(s)
(b) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the RTA and duly witnessed at the appropriate place.
(c) Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all Transferors)
(d) Any other relevant document such as Power of Attorney, corporate authorization (including Board Resolution/Specimen Signature)
(e) Self-attested copy of address proof such as valid Aadhar Card, Voter ID, Passport, etc.

8.12.2. The Seller Member should place bids on the Exchange Platform with relevant details as mentioned on Physical Share Certificate(s). The Seller Member(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No., Dist. Nos., No. of shares, etc.

8.12.3. The Seller Member/Eligible Shareholder must deliver the Share Certificates & other requisite documents along with TRS to the RTA. Physical Share Certificates to reach RTA within two (2) days of bidding by Seller Member.

8.12.4. Shareholders holding Physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.

8.12.5. In case, any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closing Date.

8.12.6. Acceptance of Equity 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 (including demat shares, physical) validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares offered, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Eligible Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

8.13. Procedure for tendering the shares in case of non-receipt of Letter of Offer:

Persons who have acquired Equity Shares but whose names do not appear in the Register of Members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

In case the Equity Shares are in dematerialised form:

An Eligible Person may participate in the Offer by approaching Stock Broker/Selling Member and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer.

In case the Equity Shares are in Physical form:

An Eligible Persons may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, DPS and the Letter of Offer. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in this Letter of Offer) should reach the Registrar of the Company before 5:00 PM on the Closing Date. If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer.

In case of non-receipt of the Letter of Offer, such Equity Shareholders of the Target Company may download the same from the website of SEBI i.e. 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.

8.14. Settlement Process

8.14.1. 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 Exchange to facilitate settlement on the basis of Shares transferred to the account of Clearing Corporation.

8.14.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

8.14.3. The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Equity Shareholders will receive funds pay-out directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Equity Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Brokers' settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.

8.14.4. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective

Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Offer.

8.14.5. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Equity Shareholders directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new consolidated Share Certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Target Company are less than the Equity Shares tendered in the Open Offer by the Equity Shareholders holding Equity Shares in the physical form.

8.14.6. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the escrow account which is opened by the Acquirers.

8.14.7. Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholders directly by Registrar to the Offer.

8.14.8. Shareholders who intend to participate in the Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member 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 Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accepts no responsibility to bear or pay such additional cost, charges and expenses(including brokerage) incurred solely by the Selling Shareholder.

8.15. Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'No Objection Certificate' from lenders is attached.

8.16. The Draft Letter of Offer would also be available on the website of SEBI i.e. www.sebi.gov.in.

8.17. The Letter of Offer along with Transfer Deed is being dispatched/ sent through electronic mail to all the Public Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the RTA In case of non-receipt of the LOF, such shareholders 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 Offer Shares.

8.18. Settlement of Funds/Payment Consideration

8.18.1. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.

8.18.2. For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds pay-out to respective Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction are rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

8.18.3. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder/Selling Broker/Custodian participant will receive funds pay-out in their settlement bank account.

8.18.4. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder/Selling Broker(s)/Custodians as per secondary market pay out mechanism.

8.18.5. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling 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 Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

8.18.6. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the Regulations.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the public shareholders at the office of the Mark Corporate Advisors Private Limited ("**Manager to the Offer**") at 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off Western Express Highway, Vile Parle (East), Mumbai-400 057, between 10:30 AM and 2:00 PM on any Working Day (except Saturdays, Sundays and public holidays) during the period from the date of commencement of the Tendering Period until the date of closure of the Tendering Period. Copies of these documents will also be available for inspection to the Public Shareholders electronically during the Tendering Period. The Public Shareholders interested to inspect any of the following documents can send an email from their registered email ids (including shareholding details and authority letter in the event the Public Shareholder is a corporate body) with a subject line "Hi-Klass-Open Offer-Documents for Inspection", to the Manager of the Offer at openoffer@markcorporateadvisors.com and upon receipt and processing of the received request, access can be provided to the respective public shareholders for electronic inspection of documents.

1) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.

2) Audited Financials for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020 and Un-Audited Financials for the period ended September 30, 2022 of the Target Company.

3) Certificate dated February 08, 2023 issued by CA S. Natarajan (Membership No. 025257), Partner of M/s Elangovan & Natrajan, Chartered Accountants (Firm Registration No. 000799S), certifying that the Acquirers have firm and adequate financial resources to meet the financial obligations under the Open Offer.

4) Memorandum of Understanding between Lead Manager i.e. Mark Corporate Advisors Private Limited and the Acquirers.

5) Share Purchase Agreement ("**SPA**") entered between the Acquirers and the Sellers on February 08, 2023.

6) Acknowledgement from Yes Bank Limited dated Monday, February 13, 2023 confirming the balance of ₹30,00,000 in the Cash Escrow Account.

7) Due Diligence Certificate dated February 22, 2023 submitted to SEBI by Mark Corporate Advisors Private Limited, Manager to the Offer.

8) Undertaking from the Acquirers for unconditional payment of the consideration within 10 (ten) working days from the last date of the tendering period to all the Shareholders of the Target Company whose applications are accepted in the Open Offer.

9) Undertaking from the Acquirers with regard to Responsibility under Regulation 2(o) and Regulation 7(4) of the Regulations.

10) Copies of the Public Announcement ("**PA**") dated February 08, 2023 and a published copy of Detailed Public Statement ("**DPS**") which appeared in the newspapers on February 15, 2023.

11) A copy of the Recommendations to be published on or before [•] made by the Board of Independent Directors of the Target Company as required in terms of Regulation 26(7) of the SEBI (SAST) Regulations, 2011.

12) A copy of the Offer Opening Public Announcement to be published on or before [•] and any other corrigendum made by the Acquirers pursuant to SEBI (SAST) Regulations, 2011.

13) Copy of the Observation Letter no [•] dated [•] issued by SEBI.

10. DECLARATION BY THE ACQUIRERS

The Acquirers, accepts full responsibility, for the information contained in this DLoF and also for ensuring the compliance with the obligations of the Acquirers as laid down in the Regulations.

We, the Acquirers, have made all reasonable inquiries, accept responsibility and confirm that this DLoF is in compliance with the Regulations, and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this DLoF are true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Manager to the Offer hereby states that the persons signing this DLoF are the Acquirers:

For **and on behalf of the Acquirers:**

Sd/-	**Sd/-**	**Sd/-**
Mythily Thanghavel **("Acquirer 1")**	**Pandamangalam Ramasamy Srinivasan** **("Acquirer 2")**	**Sadaiappan Gopalsamy** **("Acquirer 3")**

Place : Namakkal, Tamilnadu

Date : February 22, 2023

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Public Shareholders holding shares in demat mode are not required to fill the Form of Acceptance, unless required by their respective Selling Broker. The Public Shareholders holding physical shares (resident and non-resident) are required to send this Form of Acceptance along with the enclosures to the Registrar to the Offer, at its registered office address provided in the Letter of Offer. Capitalized terms and expressions used herein but not defined, shall have the same meaning as ascribed to them in the Letter of Offer)

OFFER OPENS ON	**:**	Thursday, April 06, 2023
OFFER CLOSES ON	**:**	Friday, April 21, 2023

Name:
Address:
Folio No.: **Sr. No.:** **No. of Shares Held:**
Tel No: **Fax No** **EMail ID:**

To,
Purva Sharegistry (India) Private Limited
Unit no. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel (E), Mumbai-400011,
Tel No.: +91 22 2301 0771/4961 4132
Fax No.: +91 22 2301 2517,
Email ID: support@purvashare.com

Sub: **Open Offer for acquisition of up to 16,15,300 full paid-up Equity Shares of ₹5 each, representing 26.00% of the Voting Share Capital of Hi-Klass Trading and Investment Limited ("Hi-Klass"/"Target Company") from all the Public Shareholders of Target Company, by Mrs. Mythily Thanghavel ("Acquirer 1"), Mr. Pandamangalam Ramasamy Srinivasan ("Acquirer 2") and Mr. Sadaiappan Gopalsamy ("Acquirer 3") (hereinafter Acquirer 1, Acquirer 2 and Acquirer 3 are collectively referred to as "Acquirers") at a price of ₹5.70 (Rupees Five and Paise Seventy only) per Equity share, payable in cash, pursuant to and in compliance with Regulation 3(1) and 4 read with regulation 15(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations,2011").**

Dear Sir/Madam,

I/We refer to the Letter of Offer dated [•] for acquiring the Equity Shares held by me/us in Hi-Klass Trading and Investment Limited ("**Hi-Klass**"/"**Target Company**").

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

DETAILS OF SHARES CERTIFICATE

Sr. No.	Certificate No.	Distinctive No(s)		Number of Shares
		From	To	
1)				
2)				
3)				
Total Number of Equity Shares				

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

SHARES HELD IN DEMATERIALISED FORM

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

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

Acknowledgement Slip Sr. No. ______

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

Address____

Physical Shares: Folio No._________ / Demat Shares: DP ID: __________Client ID: _________
Form of Acceptance along with (Tick whichever is applicable):

☐ Physical Shares: No. of Shares_________________; No. of certificate enclosed__________

☐ Demat Shares: Copy of delivery instruction for _______ No. of Shares

Signature of Official: _____________ Date of Receipt _____Stamp of collections Centre _________

I / We confirm that the equity shares which are being tendered herewith by me / us under this Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I/ We have obtained any necessary consents to sell the equity shares on the foregoing basis.

I / We also note and understand that the obligation on the Acquirers to pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance-cum-Acknowledgment.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of equity shares under Income Tax Act, 1961. I/We are not debarred from dealing in equity shares.

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

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

Yours faithfully,
Signed and Delivered:

	Full Name(s)	**PAN NO.**	**Signature(s)**
First / Sole Holder			
Second Shareholder			
Third Shareholder			

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

Place: _______________ Date: ________________

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

Name of the Bank____Branch__________________

Account Number_____________________
Savings / Current / Other (Please Specify)__________________

In case of NECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank)

In the case of RTGS/NEFT, 11 digit IFSC code

Please enclose cancelled cheque and copy of PAN card

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

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

To,
Purva Sharegistry (India) Private Limited
Unit no. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel (E), Mumbai-400011.
Tel No.: +91 22 2301 0771/4961 4132
Fax No.: +91 22 2301 2517,
Email ID: support@purvashare.com
Contact Person: Mr. Deepali Dhuri
SEBI Reg. No.: INR000001112