

KAPASHI COMMERCIAL LIMITED

(CIN: L51900MH1985PLC037452)

Registered Office: Nishuvi, 4th Floor, 75, Dr. Annie Besant Road, Worli, Mumbai - 400 018
Tel No.: +91 222-4300 5100/2495 4236; E-Mail ID: admin@kcltd.co.in; Website: www.kapashicommmercial.com

Open Offer for acquisition of 2,60,000 Equity Shares of ₹10 each representing 26% of the Equity Share Capital/Voting Capital from the Public Shareholders of Kapashi Commercial Limited (hereinafter referred to as the "KCL"/"Target Company"), in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations, 2011"/"Regulations") by Mr. Mahendra Gulabdas Patel ("Acquirer 1"), Mr. Munjal Mahendra Patel ("Acquirer 2") and Mrs. Shweta Samir Shah ("Acquirer 3") (hereinafter collectively referred to as "Acquirers").

This Detailed Public Statement ("DPS") is being issued by Mark Corporate Advisors Private Limited, the Manager to the Offer ("Manager"), for and on behalf of the Acquirers, in compliance with Regulations 13(4) and 15(2) of the Regulations pursuant to the Public Announcement ("PA") sent to BSE Limited, Mumbai ("BSE") and to the Target Company on December 30, 2017 and filed with Securities and Exchange Board of India ("SEBI") on January 01, 2018 in terms of Regulation 3(1) and 4 of the Regulations.

I. ACQUIRERS, SELLERS, TARGET COMPANY AND OFFER:

A. Information about the Acquirers:

1) Information about Mr. Mahendra Gulabdas Patel (hereinafter referred to as "Acquirer 1")

1. Acquirer 1, S/o Gulabdas Iswarlal Patel, aged about 64 years, is currently residing at 37, Sarathi Bungalow, Part-III, Nr. Surdhara Circle, Drive-In Road, Thaltej, Ahmedabad-380 054, Tel. No.: +91 07967778002, E-Mail ID: mgs@incolpharma.com. He has done his Bachelor of Arts and Bachelor of Laws from Gujarat University. His Permanent Account Number (PAN) under Indian Income Tax Act is ABIPP 9463 H. He has around 35 years of experience in pharmaceuticals business.

2. Acquirer 1 is not part of any group.

3. As on date, Acquirer 1 does not hold any Equity share in the Target Company.

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 or any other regulations made under the SEBI Act.

5. The Net Worth of Acquirer 1 is ₹912.59 Lacs (Rupees Nine Hundred and Twelve Lacs and Fifty Nine Thousand only) as on December 26, 2017 as certified vide certificate dated December 27, 2017 issued by Kishore P Sompura (Membership No. 45155), Proprietor of M/s K P Sompura & Co., Chartered Accountants (FRN: 131641W) having Offices at H-111, 1st Floor, Titanium City Centre, 100 feet Anand Nagar Road, Satellite, Nr. Sachine Tower, Ahmedabad-380 015, Tel. No.: +91 79 4006 2332 and 2, "SHIVAM", Shayonaprasad Bungalow, Shayona City, R. C. Technical Road, Ghatlodia, Ahmedabad-380 061, Tel. No.: +91 79 2766 3411, E-mail ID: sompurakp@yahoo.com/sompurakp@hotmail.com.

6. The entities promoted/controlled/managed by Acquirer 1 is as under:

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/Share of Partnership
1)	Lincoln Pharmaceuticals Limited	Managing Director	1.38%
2)	Downtown Finance Private Limited	Director	9.05%
3)	Downtown Travels LLP	Designated Partner	20.00%
4)	Zullinc Healthcare LLP	Designated Partner	Negligible
5)	Shree Corporation	Partner	40.00%

2) Information about Mr. Munjal Mahendra Patel (hereinafter referred to as "Acquirer 2")

2.1. Acquirer 2, S/o Mahendra Gulabdas Patel, aged about 35 years, is presently residing at 37, Sarathi Bungalow, Part-III, Nr. Surdhara Circle, Drive-In Road, Thaltej, Ahmedabad-380 054 Tel. No.: +91 07967778004, E-Mail ID: munjal@incolpharma.com. He has done his Bachelor in Business Administration and Diploma in Investment and Financial Analysis from Gujarat University. His Permanent Account Number (PAN) under Indian Income Tax Act is AFXPP 7705 F. He has around 10 years of experience in pharmaceuticals business.

2.2. Acquirer 2 is not part of any group.

2.3. As on date, Acquirer 2 does not hold any Equity share in the Target Company.

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 or any other regulations made under the SEBI Act.

2.5. The Net Worth of Acquirer 2 is ₹743.19 Lacs (Rupees Seven Hundred and Forty Three Lacs and Nineteen Thousand only) as on December 26, 2017 as certified vide certificate dated issued by Kishore P Sompura (Membership No. 45155), Proprietor of M/s K P Sompura & Co., Chartered Accountants (FRN: 131641W) having Offices at H-111, 1st Floor, Titanium City Centre, 100 feet Anand Nagar Road, Satellite, Nr. Sachine Tower, Ahmedabad - 380 015, Tel. No.: +91 79 4006 2332 and 2, "SHIVAM", Shayonaprasad Bungalow, Shayona City, R. C. Technical Road, Ghatlodia, Ahmedabad-380 061, Tel. No.: +91 79 2766 3411, E-mail ID: sompurakp@yahoo.com/sompurakp@hotmail.com.

2.6. The entities promoted/controlled/managed by Acquirer 2 is as under:

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/Share of Partnership
1)	Lincoln Pharmaceuticals Limited	Whole-Time Director	2.95%
2)	Downtown Finance Private Limited	Director	10.08%
3)	Karnavati Distributors Limited	Director	0.00%
4)	Zullinc Healthcare LLP	Nominee-Body Corp. Partner	0.00%
5)	Downtown Travels LLP	Designated Partner	40.00%
6)	Summed Corporation LLP	Designated Partner	38.00%
7)	Shree Corporation	Partner	40.00%

3) Information about Mrs. Shweta Samir Shah (hereinafter referred to as "Acquirer 3")

3.1. Acquirer 3, W/o Samir Shah, aged about 49 years, is presently residing at 2, Syug Bungalow, Vajapur, Ahmedabad-380 051, Tel. No.: +91 99250 06929, E-Mail ID: shweta_shah171969@yahoo.com. She has done her Bachelor in Commerce from Gujarat University. Her Permanent Account Number (PAN) under Indian Income Tax Act is AQFPS 5288 K. She has around 5 years of experience in [mention field]

3.2. Acquirer 3 is not part of any group.

3.3. As on date, Acquirer 3 does not hold any Equity share in the Target Company.

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 or any other regulations made under the SEBI Act.

3.5. The Net Worth of Acquirer 3 is ₹188.69 lakhs (Rupees One Hundred and Eighty Eight Lacs and Sixty Nine Thousand only) as on December 26, 2017 as certified vide certificate dated December 26, 2017 issued by Ashit N Shah (Membership No. 036857) Proprietor of Ashit N. Shah & Co., Chartered Accountants (FRN: 100624W) having office at 1, Shantilnath Apartment, Shantisadan Society, B/H, Doctor House, Ellisbridge, Ahmedabad - 380 006, Tel. No.: +91 79 2640 3811, E-mail ID: ashitnshah@hotmail.com.

3.6. The entities promoted/controlled/managed by Acquirer 3 is as under:

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/ Share of Partnership
1)	Felix Industries Limited	Director	0.03%

4) Acquirer 1 is the Father of Acquirer 2.

5) None of the Acquirers acquired any Equity Share of the Target Company either in the current financial year or in the period of eight financial years preceding this financial year except for 7,35,446 Equity Shares, which are proposed to be acquired through Share Purchase Agreement ("SPA").

6) There is an informal arrangement between the Acquirers with regard to the acquisition of Equity Shares through Open Offer.

7) Neither the Acquirers nor any of the entities with which they are associated, are in Securities related business and registered with SEBI as a Market Intermediary.

8) None of the entities promoted or controlled by the Acquirers as mentioned in point no. 1.6, 2.6 & 3.6 above are either participating or acting in Concert with the Open Offer.

9) As on date, the Acquirers do not have any interest in the Target Company, except for the proposed acquisition of Equity Shares through SPA. Further, there are no Directors representing the Acquirers on the Board of the Target Company.

10) There are no persons Acting in Concert in relation to the Offer within the meaning of 2(1)(g)(1) of the Regulations.

B. Information about the Sellers:

1) Pursuant to the Share Purchase Agreement ("SPA") entered on December 30, 2017, the Acquirers have agreed to acquire 7,35,446 Equity Shares of Face Value of ₹10 (Rupees Ten only) each at a price of ₹45 (Rupees Forty Five only) per share representing 73.54% of the Equity Share Capital from the following Shareholders of the Target Company (hereinafter referred as "Sellers"/"Selling Shareholders"):

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/Voting Capital	No of Shares	% vis a vis total Share Capital/Voting Capital
1)	Ms. Sejal Indubhai Kapashi PAN: AADPK 3606 R Address: 602, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	46,000	4.60%	Nil	NA
2)	Ms. Bhakti N Kapashi PAN: AACPD 3378 C Address: 503, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	60,950	6.09%	Nil	NA
3)	Mr. Paresb Kapashi PAN: AADPK 4862 B Address: 703, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	1,11,150	11.12%	Nil	NA
4)	Mr. Indubhai Kapashi PAN: AADPK 3605 N Address: 503, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	72,494	7.25%	Nil	NA
5)	Mr. Sevantibhai Kapashi PAN: AADPK 3641 A Address: 703, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	80,202	8.02%	Nil	NA
6)	Mr. Nimish Kapashi PAN: AADPK 3624 K Address: 503, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	1,55,850	15.58%	Nil	N.A.
7)	Mrs. Sushilaben Kapashi PAN: AGPPK 3813 Q Address: 703, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	32,500	3.25%	Nil	N.A.
8)	Ms. Nitina Kapashi PAN: AAHPK 2617 A Address: 503, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	43,500	4.35%	Nil	N.A.
9)	Mrs. Nandini Paresb Kapashi PAN: AAHPK 2616 B Address: 703, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	1,09,200	10.92%	Nil	N.A.

10)	Mr. Paresb Sevantilal Kapashi (HUF) PAN: AAAHP 2453 G Address: 703, Pleasant Palace, 16, Narayan Dabholkar Road, Off. Nepean Sea Road, Mumbai-400 006	Yes	23,600	2.36%	Nil	N.A.
TOTAL			7,35,446	73.54%	Nil	NA

2) The Acquirers have paid a sum of ₹297.85 Lacs towards the proposed acquisition of the above Equity Shares. The said Equity Shares are lying in the Seller's Demat Account. The same will be transferred to the Acquirer's Demat Account upon completion of the Open Offer formalities with simultaneous payment for the said Shares to the sellers as per the terms of Share Purchase Agreement.

3) None of the Sellers mentioned above have 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.

C. Information about the Target Company (hereinafter referred to as "KCL"/"Target Company"):

1) The Target Company, bearing CIN: L51900MH1985PLC037452 was incorporated on September 11, 1985 in the name of Kapashi Commercial Limited in the State of Maharashtra pursuant to the provisions of the Companies Act, 1956.

2) The Registered Office of the Target Company is situated at Nishuvi, 4th Floor, 75 Dr. Annie Besant Road, Worli, Mumbai - 400018.

3) The Target Company is a Non-Banking Financial Public Limited Company registered with the Reserve Bank of India ("RBI") as a non-deposit accepting NBFC with a registration number 13.01180 and its business inter-alia includes investment in shares and securities and providing loans and advances.

4) The Authorized Share Capital of the Target Company is ₹1,00,00,000 comprising of 10,00,000 Equity shares of ₹10 each. The Paid-Up Equity Share Capital of the Target Company is ₹1,00,00,000, comprising of 10,00,000 Equity Shares of ₹10 each fully paid up.

5) The Equity Shares of the Target Company are listed on BSE Limited, Mumbai ("BSE") having a scrip code as 512399. The Equity Shares of the Target Company are infrequently traded within the meaning of explanation provided in Regulation 2(i) of the Regulations. The ISIN of the Target Company is INE017101019.

6) As on date, the Target Company is fully compliant with the listing requirements and there has not been any non-listing of Equity Shares on any of the Stock Exchanges.

7) The key financial information of the Target Company are based on the Audited Financial Statements for the Financial Year ended March 31, 2017, March 31, 2016 and March 31, 2015 and Certified Un-Audited Financials, for the six months period ended September 30, 2017 are as follows:

(Amount in Lacs, except EPS)

Particulars	Period ended September 30, 2017	FY 2016-17	FY 2015-16	FY 2014-15
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Total Revenue	24.99	77.03	69.57	70.01
Net Income (Profit/Loss for the year)	9.03	39.02	33.96	39.18
EPS (In ₹ per share)	0.90	3.90	3.40	3.92
Net Worth/Shareholders' Fund	493.93	483.42	444.40	410.44

8) The Board of Directors of the Target Company consists of Mr. Sevantilal Kapashi, Whole-Time Director (DIN: 00008435), Mr. Indukumar Kapashi, Whole-Time Director (DIN: 00008413), Mr. Paresb Kapashi, Director (DIN: 00008486), Mr. Nimish I Kapashi, Director (DIN: 00073665), Mr. Mahasukhlal Shah, Independent Director (DIN: 00073676), Mrs. Varsha Dalal, Independent Director (DIN: 00179876).

9) The Compliance Officer of the Target Company is Ms. Pooja Bagwe.

D. Details of the Offer:

1) The Acquirers are making this Open Offer to acquire upto Equity Shares of ₹10 each, representing 26% of the Equity Share Capital of the Target Company at a price of ₹51.50 (Rupees Fifty One and Paise Fifty only) per Equity Share ("Offer Price") aggregating to ₹1,33,90,000 (Rupees One Crore Thirty Three Lacs and Ninety Thousand only), payable in cash, subject to the terms and conditions set out in the Public Announcement (PA), this Detailed Public Statement ("DPS") and the Letter of Offer ("LoF") which will be sent to the Public Shareholders of the Target Company.

2) All the owners of the equity shares of the Target Company registered or unregistered except the Acquirers and the Selling Shareholders are eligible to participate in the Offer in terms of Regulation 7(6) of the Regulations.

3) As on date, to the best of knowledge and belief of the Acquirers, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Offer except the approval of Reserve Bank of India ("RBI"). If any other statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the Regulations.

4) This Offer is not conditional upon any minimum level of acceptance by the Equity Shareholders of the Target Company in terms of Regulation 19(1) of the Regulations.

5) This is not a competing offer in terms of Regulation 20 of the Regulations.

6) The Equity Shares of the Target Company which will be acquired by the Acquirers are fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

7) As on date, there are no instruments pending for conversion into Equity Shares.

8) The Manager to the Offer i.e. Mark Corporate Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of appointment to act as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date on which the payment of consideration to the shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn as the case may be.

E. 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 (2) years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within two (2) 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.

F. As per Regulation 38 of SEBI (LODR) Regulations read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR"), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR as amended and the SEBI (LODR) Regulations, 2015. However, the Acquirers undertake to take necessary steps to facilitate Compliances of the Target Company with the relevant provisions of the SEBI (LODR) Regulations, 2015 within the time period mentioned therein.

II. BACKGROUND TO THE OFFER:

1) The Acquirers have entered into a Share Purchase Agreement ("SPA") on December 30, 2017 with the existing Promoter/Promoter Group (the "Selling Shareholders"/"Sellers") to acquire the entire Shareholding held by them i.e. 7,35,446 Equity Shares of ₹10 each representing 73.54% of the Equity Share Capital of the Target Company.

2) Pursuant to SPA, the Acquirers are making an Offer in terms of Regulation 3(1) and 4 of the Regulations to acquire upto 2,60,000 Equity Shares of ₹10 each, representing 26% of the Equity Share Capital of the Target Company ("Offer Size") at a price of ₹51.50 (Rupees Fifty One and Paise Fifty only) per Equity Share ("Offer Price"), payable in cash, subject to the terms and conditions set out in the PA, this Detailed Public Statement and the Letter of Offer that will be sent to the Public Shareholders of the Target Company.

3) The Offer Price is payable in cash, in accordance with Regulation 9(1) of SEBI (SAST) Regulations, 2011.

4) At present, the Acquirers do 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 Acquirers may expand the existing business of the Target Company and may diversify into new businesses with the prior approval of the Shareholders. The Acquirers may reorganize the present Capital structure of the Company and also further strengthen the Board.

5) The Object of the acquisition is substantial acquisition of Shares/Voting Rights accompanied by controlling the Management of the Target Company.

III. SHAREHOLDING AND ACQUISITION DETAILS:

The current and proposed Equity Shareholding of the Acquirers in the Target Company and the details of their acquisitions are as follows:

Particulars	Shareholding as on PA date		Shares agreed to be acquired through Share Purchase Agreement		Shares acquired between PA date and the DPS date		Shares proposed to be acquired in the Offer (assuming full acceptance)		Post Offer shareholding as on 10th working day after closing of Tendering Period	
	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%
Acquirer 1	Nil	N.A.	1,48,494	14.85	Nil	N.A.				
Acquirer 2	Nil	N.A.	297,002	29.70	Nil	N.A.	2,60,000	26.00	9,95,446	99.54
Acquirer 3	Nil	N.A.	289,950	28.99	Nil	N.A.				
TOTAL	Nil	N.A.	7,35,446	73.54	Nil	N.A.	2,60,000	26.00	9,99,446	99.54

IV. OFFER PRICE:

1) The Equity Shares of the Target Company are presently listed on BSE Ltd, Mumbai ("BSE") having a scrip code as 512399.

2) The annualized trading turnover of the Equity Shares of the Target Company during Twelve (12) calendar months preceding the month of PA (December 2016 to November 2017) on the Stock Exchange on which the Equity Shares of the Target Company are listed is given 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 Ltd	62,957	10,00,000	6.30%

(Source: www.bseindia.com)

3) Based on the above, the Offer Shares of the Target Company are infrequently traded during twelve (12) calendar months preceding the calendar month in which PA is made within the meaning of explanation provided in Regulation 2(i) of the Regulations.

4) The Offer Price of ₹51.50 (Rupees Fifty One and Paise Fifty only) is justified in terms of Regulation 8(2) of the Regulations on the basis of the following:

Sr. No.	Particulars	Amount (In ₹.)
a)	Negotiated Price as per SPA	: 45.00
b)	The volume-weighted average price paid or payable for acquisition whether 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, the Equity Shares being infrequently traded	: Not Applicable
e)	Other Financial Parameters as at:	30.09.2017 (Certified/Un-Audited)
i)	Return on Net Worth (%)	: 1.83%
ii)	Book Value Per Share (₹)	: 4.94
iii)	Earnings Per Share (₹)	: 0.90

Note: The Trading data with respect of BSE has been taken from BSE's website www.bseindia.com.

5) The Fair Value of the Target Company is ₹51.38 (Rupees Fifty One and Thirty Eight Paise only) per share as certified vide Valuation Report dated December 27, 2017 issued by Mr. Padam Jain (Membership No. 071026), Partner of M/s PKJ & Co., Chartered Accountants (FRN: 124115W) having office at Office No. 002, Gulmohar Complex, Opp. Anupam Cinema, Station Road, Goregaon (East), Mumbai-400 063, Tel. No.: +91 222686 5205, E-mail ID: padam.jain@pkjca.com.

6) The Offer Price of ₹51.50 per share has been determined taking into account the methodology adopted under Hindustan Lever Employees Union vs Hindustan Lever Ltd case.

In view of the parameters considered and presented in the table above and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹51.50 (Rupees Fifty One and Paise Fifty only) per Equity Share is justified in terms of Regulation 8(2) of the Regulations.

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

8) As on date, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers shall comply with regulation 18 of the Regulations and all the provisions of the Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

9) If the Acquirers acquire or agrees to acquire any Equity Shares or Voting Rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the Regulations, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirers shall (i) make public announcement in the same newspapers in which this DPS has been published; and (ii) simultaneously notify to SEBI, BSE, ASE and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the Regulations.

10) If the Acquirers acquires Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another Open Offer under Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

11) If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to three (3) working days before the date of commencement of the Tendering Period and would be notified to the shareholders.

V. FINANCIAL ARRANGEMENTS:

1) The total funds required for the implementation of the Offer (assuming full acceptance), i.e., for the acquisition of 2,60,000 fully paid up Equity Shares of Face Value ₹10 each at a price of ₹51.50 (Rupees Fifty One and Paise Fifty only) per Equity Share is ₹1,33,90,000 (Rupees One Crore Thirty Three Lacs and Ninety Thousand only) ("Maximum Consideration").

2) In accordance with Regulation 17(4) of Regulations, the Acquirers have opened a Cash Escrow Account under the name and style of "KCL-OPEN OFFER-CASH ESCROW ACCOUNT" ("Escrow Account