

JHAVERI CREDITS AND CAPITAL LIMITED

Registered Office: 301, Payal Towers, Sayajigunj, Vadodara, Gujarat - 390 020, India.

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Website: www.jhavericommodity.com; **CIN:** L65910GJ1993PLC020371

PRE-OFFER ADVERTISEMENT AND CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT UNDER REGULATION 18(7) IN TERMS OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

This Pre-Offer Advertisement and Corrigendum to the Detailed Public Statement is issued by Kunvarji Finstock Private Limited (**‘Manager to the Offer’**), for and on behalf of Mr. Vishnukumar Vitthalaldas Patel (**‘Acquirer’**) along with Mrs. Kamlaben Vitthalbhai Patel (**‘Persons Deemed To Be Acting In Concert’** or **‘PAC’**) pursuant to regulation 18(7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended [**‘SEBI (SAST) Regulations’**], in respect of the Open Offer to acquire 16,80,458 (Sixteen Lakhs Eighty Thousand Four Hundred and Fifty-Eight) Equity Shares of ₹ 10/- each of Jhaveri Credits and Capital Limited (**‘Target company’** or **‘TC’**) representing 26% (**‘Twenty-Six Percent’**) of the Fully Paid-Up Equity Share Capital and Voting Capital, payable in Cash. The Detailed Public Statement (**‘DPS’**) with respect to the aforementioned Open Offer was made on March 06, 2023, in Financial Express (English), Lokmitra (Gujarati) and Jansatta (Hindi).

Shareholders of the Target Company are requested to kindly note the following:

1. **Offer Price:** The Offer is being made at a Price of ₹ 16/- (Rupees Sixteen only) per Equity Share, payable in cash and there has been no revision in the Offer Price.
2. **Recommendations of the Committee of Independent Directors:** A Committee of Independent Directors of the TC (**‘IDC’**) published its recommendation on the offer on June 28, 2023, in Financial Express (English), Lokmitra (Gujarati) and Jansatta (Hindi). The IDC is of the opinion that the Offer Price to the Public Shareholders of the Target Company is fair and reasonable and is in line with SEBI (SAST) Regulations, 2011. Public Shareholders may, therefore, independently evaluate the offer and take an informed decision.
3. This Offer is not a competing offer in terms of Regulation 20 of the SEBI Takeover Regulations.
4. The Letter of Offer (**‘LoF’**) was mailed on June 23, 2023, to all the Public Shareholders of the Target Company, who’s E-Mails IDs are registered and physical copies were dispatched on June 23, 2023, to all the Public Shareholders of the Target Company who are holding Physical Equity Shares and non-email registered shareholders as appeared in its Register of Members on June 16, 2023. (**‘Identified Date’**).
5. Please note that a copy of the LOF (which includes the Form of Acceptance) is also available on the websites of SEBI (www.sebi.gov.in), the Target Company (www.jhavericommodity.com), the Registrar to the Offer (www.purvashare.com), the Manager to the Offer (www.kunvarji.com) and BSE (www.bseindia.com), from which the Public Shareholders can download/print the same.
6. There are currently no outstanding convertible instruments to be converted into Equity Shares of the Target Company at a future date. There has been no merger/ de-merger or spin-off in the Target Company during the past three years.
7. Instructions for Public Shareholders:

A. In case of Equity Shares are held in Physical Form:

The Public Shareholders who are holding Physical Equity Shares and intend to participate in the Open Offer shall approach the seller broker. The seller broker should place bids on the Designated Stock Exchange platform with relevant details as mentioned on physical shares certificate(s). The selling broker shall print TRS generated by the exchange bidding system. TRS will contain the details of the order submitted folio no., certificate no., Dist.no., the number of Equity Shares etc. and such Equity Shareholders should note that the Physical Equity Shares will not be excepted unless the complete set of documents as mentioned on page 29 is submitted. Acceptance of the Physical Equity

Shares for the Open Offer shall be subject to verification by the Registrar & Transfer Agent (RTA). On receipt of the confirmation from the RTA, the bid will be accepted otherwise it would be rejected and accordingly the same will be depicted on the Exchange platform.

B. In case of Equity Shares are held in the Dematerialized Form: eligible person(s) may participate in the offer by approaching their respective selling broker and tender shares in the Open Offer as per the procedure mentioned on page 28 of the letter of offer.

C. Procedure for tendering the Shares in case of non-receipt of the Letter of Offer

8. In case of non-receipt of the LoF, the Public Shareholders holding the Equity Shares may download the same from the websites of SEBI (www.sebi.gov.in), the Target Company (www.jhavericommodity.com), the Registrar to the Offer (www.purvashare.com), the Manager to the Offer (www.kunvarji.com) and BSE (www.bseindia.com). Alternatively, they may participate in the Offer by providing their application in plain paper in writing signed by all Shareholder(s), stating name, address, the number of Equity Shares held, client ID number, DP name, DP ID number, Folio No. certificate no., Dist.no., no (In case of physical shares) number of equity shares tendered and other relevant documents as mentioned on page 27 of the LoF.
9. The Draft Letter of Offer was submitted to SEBI on March 14, 2023, in accordance with Regulation 16(1) of the SEBI (SAST) Regulations, 2011. All observations from SEBI via letter number SEBI/HO/CFD-RAC-DCR1/P/OW/2023/24439/1 dated June 14, 2023, which was received on June 14, 2023, have been duly incorporated in the Letter of Offer, according to Regulation 16(4) of the SEBI (SAST) Regulations, 2011.
10. The Promoters of the target company have delayed complied with the disclosures required to be made under provisions of SEBI (SAST) Regulations, details as given below :

Sr. No.	Name of Promoters	Regulation	Financial Year	Status of compliance with Takeover Regulations	Remarks, if any
1.	Jitendra B Jhaveri	29(2)	2017-18	Delay complied	NA
2.	Bela R Jhaveri	29(2)	2019-20	Delay complied	NA
3.	J B Jhaveri HUF	10(6)	2017-18	Delay complied	NA
		29(2)	2017-18		
		29(2)	2017-18		
		29(2)	2020-21		
		31(4)	2019-20		
4.	Shakuntala J Jhaveri	29(2)	2019-20	Delay complied	NA
5.	Rajesh J Jhaveri	29(2)	2019-20	Delay complied	NA
6.	K J Jhaveri HUF	29(2)	2014-15	Delay complied	NA
		29(2)	2015-16		
		29(2)	2015-16		
		31(1)	2014-15		
		31(2)	2015-16		
		31(4)	2019-20		
		31(4)	2020-21		
7.	Kamlesh J Jhaveri	31(4)	2021-22	Delay complied	NA
		10(5)	2019-20		
		10(6)	2019-20		
		10(7)	2019-20		
		10(6)	2019-20		
		10(5)	2020-21		
		10(6)	2020-21		
		10(7)	2020-21		

		10(7)	2020-21		
		29(2)	2018-19		
		29(2)	2020-21		
		31(4)	2019-20		
		31(4)	2020-21		
		31(4)	2021-22		
8.	Karan K Jhaveri	31(4)	2019-20	Delay complied	NA
		31(4)	2020-21		
		31(4)	2021-22		
9.	Bhaderesh J Jhaveri	31(4)	2019-20	Delay complied	NA
		31(4)	2020-21		
		31(4)	2021-22		
10.	Sangeeta B Jhaveri	31(4)	2019-20	Delay complied	NA
		31(4)	2020-21		
		31(4)	2021-22		
11.	Jeet B Jhaveri	31(4)	2019-20	Delay complied	NA
		31(4)	2020-21		
		31(4)	2021-22		
12.	Bhaderesh J Jhaveri HUF	31(4)	2019-20	Delay complied	NA
		31(4)	2020-21		
		31(4)	2021-22		

Please note, there are certain delay in compliances with the applicable provisions of the SEBI (SAST) Regulations during a period of eight financial years preceding the financial year in which the Public Announcement for instant open offer has been made. In this regards, SEBI may take appropriate action against the Promoter and Promoter Group of Target Company for the same.

11. The financial information of Target Company based on the Audited financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 are as follows:

(Amt. in Lakhs)

Profit & Loss Statement*	Year ended on March 31		
	2023	2022	2021
Income from Operations	1161.99	905.63	349.48
Other Income	18.31	53.14	13.33
Total Income	1180.30	958.77	362.81
Total Expenditure (Excl. Depreciation and Interest)	1073.8	904.99	363.1
Profit Before Exp. Item, Depreciation, Interest and Tax	106.5	53.78	0.29
Depreciation	0.12	0.16	0.16
Interest	24.43	20.27	0.05
Exceptional Item	-	-	-
Profit/ (Loss) Before Tax	81.94	33.35	(0.50)
Provision for Tax	3.38	6.19	38.81
Profit/ (Loss) After Tax	78.56	27.16	(39.31)

Balance Sheet Statement*	Year ended on March 31		
	2023	2022	2021
Sources of Funds			
Equity Share Capital	646.33	646.33	646.33
Other Equity	182.53	103.96	76.80
Secured/Unsecured Loan	-	318.07	-
Other Non-Financial Liabilities	0.28	1.01	22.85

Provisions	4.45	6.17	-
Trade Payable	75.66	117.36	147.80
Deferred tax liabilities	0.66	0.87	0.91
Other Current Liabilities	0.45	1.08	1.21
TOTAL	910.35	1,194.85	895.90
Application of Funds			
Property, Plant & Equipment	2.55	3.35	3.51
Long Term Loans & Advances	867.09	279.74	33.70
Deferred tax assets (net)	-	-	-
Inventories	-	-	422.63
Investments	-	686.10	118.06
Trade Receivable	-	115.12	179.74
Cash and Cash Equivalents	4.89	18.83	1.89
Bank Balance	15.80	15.69	15.34
Short Term Loans & Advances	-	-	-
Current Tax Assets (Net)	6.79	8.05	1.99
Other Non-Current Assets	-	0.03	1.10
Other Current assets	13.24	67.94	117.94
TOTAL	910.35	1,194.85	895.90

*Source: Audited Financial Statements

Other Financial Data	Year ended on March 31		
	2023	2022	2021
Dividend (%)	-	-	-
Earnings Per Share (₹)	1.22	0.42	(0.61)
Net worth	828.85	750.29	723.13
Return on Net worth (%)	9.48	3.62	5.43
Book Value Per Equity Share	12.82	11.60	11.19

12. There are no directions subsisting or proceedings pending against the Target Company and its Promoters, including existing selling promoters, under the SEBI Act and the regulations made thereunder or by any other regulator. Further, no penalties had been or have been levied by SEBI/ RBI or any other regulatory body against the Target Company and its Promoters, including existing promoters except, as informed by Target Company, as mention below:

SEBI in its order QJA/AA/MIRSD/DOP/25044/2022-23 dated March 28, 2023, has cancelled the membership of National Spot Exchange Limited. The target Company was member of National Spot Exchange Limited since 16-08-2008. National Spot Exchange Limited was formally being regulated by FMC (Forward marked commission), FMC was merged in to SEBI on 28-08-2015. SEBI initiated litigation against National Spot Exchange Limited, Company being member of National Spot Exchange Limited was made party in litigation. However SEBI vide its order has discharged target Company from litigation and has cancelled target Company membership in National Spot Exchange Limited.
13. There have been no other material changes in relation to the Offer, since the date of the Public Announcement on February 27, 2023, save as otherwise disclosed in the DPS and the Letter of Offer.
14. As of date, to the best of the knowledge of the Acquirer and PAC, no statutory approvals are required for the Offer except as mentioned in the Letter of Offer.
15. The Open Offer will be implemented through Stock Exchange Mechanism made available by the Stock Exchanges in the form of a Separate Window ('Acquisition Window') as provided under the SEBI (SAST) Regulations, 2011 and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016. The Acquirer and PAC has through whom the purchases and settlement of the Open Offer shall be made during the Tendering period. The detailed procedure for tendering of shares is given in para – 9 "Procedure for

Acceptance and Settlement” of the Letter of Offer.

16. Revised Schedule of Activities:

ACTIVITY	DATE AND DAY (AS MENTIONED IN DLOF)	DATE AND DAY (AS MENTIONED IN LOF)
Public Announcement (PA) Date	February 27, 2023 Monday	February 27, 2023 Monday
Publication of Detailed Public Statement (DPS) in the newspapers	March 6, 2023 Monday	March 6, 2023 Monday
Filing of the Draft Letter of Offer with SEBI	March 14, 2023 Tuesday	March 14, 2023 Tuesday
Last date for Public Announcement of a competing offer	March 29, 2023 Wednesday	March 29, 2023 Wednesday
Identified Date*	April 11, 2023 Tuesday	June 16, 2023 Friday
Letter of Offer to be dispatched to Shareholders	April 19, 2023 Wednesday	June 23, 2023 Friday
Last Date by which the committee of the Independent Directors of the Target Company shall give its recommendation	April 24, 2023 Monday	June 29, 2023 Thursday
Last date for upward revision of the Offer Price and/or the Offer Size	April 25, 2023 Tuesday	June 30, 2023 Friday
Date of publication of offer opening Public Announcement	April 25, 2023 Tuesday	June 30, 2023 Friday
Date of commencement of Tendering Period (Offer Opening Date)	April 26, 2023 Wednesday	July 03, 2023 Monday
Date of expiry of Tendering Period (Offer Closing Date)	May 11, 2023 Thursday	July 14, 2023 Friday
Last Date for completion of all requirements including payment of consideration	May 25, 2023 Thursday	July 28, 2023 Friday

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

The Acquirer and PAC accepts full responsibility for the information contained in this advertisement and also for the obligations of the Acquirer as laid down in SEBI (SAST) Regulations 2011. This Advertisement will also be available on SEBI's website at www.sebi.gov.in.

Issued by the Manager to the Offer on behalf of the Acquirer and PAC

	KUNVARJI FINSTOCK PRIVATE LIMITED Registered Office: Block B, First Floor, Siddhi Vinayak Towers, Off S.G. Highway Road, Mouje Makarba, Ahmedabad- 380051 Corporate Office: 05, Ground Floor & 1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema, Near Western Express Highway – Metro Station, Andheri(E), Mumbai - 400093 CIN: U65910GJ1986PTC008979 Contact Person: Mr. Jiten Patel Tel No.: +91 22 69850000 91 79-6666 9000
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Email: mb@kunvarji.com
SEBI Reg. No. : INM000012564

For and on behalf of the Acquirer and PAC

Sd/-

Vishnukumar Vitthaldas Patel

Acquirer

Date: June 30, 2023

Place: Ahmedabad