

**LETTER OF OFFER****THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This Letter of Offer (LOF) is sent to you as a shareholder(s) of **KEMISTAR CORPORATION LIMITED** (Hereinafter referred as "KCL" or "the Target Company" or "TC"). 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 or Registrar to the Offer. In case you have recently sold your shares in the Company, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement and Transfer Deed to the member of stock exchange through whom the said sale was effected.

**OPEN OFFER ("OFFER")****BY****Mr. Ketankumar P. Patel ("Acquirer 1") and Mr. Parshottambhai M. Patel ("Acquirer 2")**

Both residing at 11,12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380015,Gujarat, India

**Tel. No.:** ++91-79-26923570, **Fax:** +91-79-2692358791 **Email:** [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com)**AND**

**Mrs. Shantaben P. Patel ("PAC 1"), Mr. Dipakkumar P. Patel ("PAC 2"), Mrs. Hiralben D. Patel, ("PAC 3")** all residing at 11,12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380 015, Gujarat, India, **Patel Parshottamdas M HUF ("PAC 4"), Patel Dipakkumar Parashottmdas HUF ("PAC 5")**, having registered address at 11, 12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380 015, Gujarat, India, in their capacity as person acting in concert with the Acquirers (**PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 hereinafter collectively referred to as "PACs")** **Tel. No.:** +91-79-26923570, **Fax:** +91-79-2692358791 **Email:** kemistarbse@gmail.com

**TO THE SHAREHOLDERS OF  
KEMISTAR CORPORATION LIMITED**

**Registered Office:** at 604, Manas Complex, Jodhpur Cross Road Satellite, Ahmedabad – 380015**Tele No.:**+91 79-26923570; **Email:**kemistarbse@gmail.com, **Website:** <http://www.kemistar.in>**TO ACQUIRE**

Up to 16,16,287 (Sixteen Lakhs Sixteen Thousand Two Hundred and Eighty Seven) representing 26% of the Emerging Voting Capital of Kemistar Corporation Limited at a price of Rs. 17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share ("Offer Price"), payable in cash.

**Please Note:**

1. This Offer is being made by the Acquirers along with the PACs pursuant to the Regulations 3(1) of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof, (**the "SEBI (SAST) Regulations, 2011" or "SEBI (SAST) Regulations " or " the Regulations"**)
2. This Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of SEBI (SAST) Regulations.
3. As on the date of this Letter of Offer, there are no statutory approvals required to acquire Equity Shares that are validly tendered pursuant to this Offer, except for those mentioned under Statutory Approvals in point no. 7.4 page no. 20 of the LOF. However, in case of any regulatory or statutory or other approval being required at a later date before the closure of the Tendering Period, the Offer shall be subject to all such approvals and the Acquirers and PACs will make the necessary application for such approvals.
4. The Acquirers can revise the Offer Price or size of the Offer up to three working days prior to the commencement of the tendering period i.e. May 2, 2018 in accordance with Regulation 18(4) of SEBI (SAST) Regulations. Any such upward revision or withdrawal of the Offer would be informed by way of the Public Announcement in the same newspapers in which the Detailed Public Statement had appeared. Such revision in the Offer Price would be payable by the Acquirers for all the Equity Shares validly tendered during the Tendering Period.
5. **This is not a competing Offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.**
6. **There is no competitive bid.**
7. A copy of the Public Announcement, Detailed Public Statement, Draft Letter of Offer and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) are / will be available on SEBI's Website: [www.sebi.gov.in](http://www.sebi.gov.in)
8. All correspondence relating to this Offer, if any, should be addressed to the Registrar to the Offer, viz. Purva Share Registry (India) Pvt. Ltd.

**MANAGER TO THE OFFER****REGISTRAR TO THE OFFER****VIVRO****Vivro Financial Services Private Limited**

607,608 Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai-400 013, Maharashtra, India.

**Tel No.:** +91-22 – 6666 8040/41/42**Fax No.:** +91-22 – 6666 8047**Email:** [investors@vivro.net](mailto:investors@vivro.net); **Website:** [www.vivro.net](http://www.vivro.net)**SEBI Registration No.** INM000010122**CIN:** U67120GJ1996PTC029182**Contact Person:** Mrs. Shashi Singhvi / Mr. Yogesh Malpani**Purva Sharegistry (India) Pvt. Limited**

9 Shiv Shakti Industrial Estate, J R Boricha Marg, Opp Kasturba Hosp., Lower Parel (E),Mumbai, Maharashtra,400011

**Tel:** +022 - 23018261;**Fax:** +022 – 23012517**Email:** [busicomp@vsnl.com](mailto:busicomp@vsnl.com); **Website:** [www.purvashare.com](http://www.purvashare.com)**SEBI Registration No:** INR000001112.**CIN:** U67120MH1993PTC074079**Contact Person:** Deepali Dhuri (Compliance Officer)**OFFER OPENS ON: MONDAY, MAY 7, 2018****OFFER CLOSES ON: FRIDAY, MAY 18, 2018**

## SCHEDULE OF MAJOR ACTIVITIES

Activity	Original Date	Original Day	Revised Date	Revised Day
Issue of Public Announcement	February 23, 2018	Friday	February 23, 2018	Friday
Publication of Detailed Public Statement	March 5, 2018	Monday	March 5, 2018	Monday
Last date of filing Draft Letter of Offer with SEBI	March 12, 2018	Monday	March 12, 2018	Monday
Last date for public announcement for competing offer(s)	March 26, 2018	Monday	March 26, 2018	Monday
Last date for receipt of comments from SEBI on the Draft Letter of Offer	April 4, 2018	Wednesday	April 17, 2018	Tuesday
Identified Date*	April 6, 2018	Friday	April 19, 2018	Thursday
Date by which Letter of Offer to be dispatched to the Shareholders	April 13, 2018	Friday	April 26, 2018	Thursday
Last date for upward revision of the Offer Price and/or the Offer Size	April 17, 2018	Tuesday	May 2, 2018	Wednesday
Last date by which the committee of Independent Directors of the Target Company shall give its recommendations	April 18, 2018	Wednesday	May 3, 2018	Thursday
Advertisement of schedule of activities for Open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company at its registered office	April 19, 2018	Thursday	May 4, 2018	Friday
Date of Commencement of Tendering Period (Offer Opening Date)	April 20, 2018	Friday	May 7, 2018	Monday
Date of Expiration of Tendering Period (Offer Closing Date)	May 7, 2018	Monday	May 18, 2018	Friday
Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/ return of unaccepted shares	May 21, 2018	Monday	June 1, 2018	Friday
Issue of post offer advertisement	May 28, 2018	Monday	June 8, 2018	Friday
Last date for filing of final report with SEBI	May 28, 2018	Monday	June 8, 2018	Friday

\*"Identified Date" is only for the purpose of determining the names of the Shareholder(s) as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirers, PACs and the Promoters) are eligible to participate in the Offer any time before the Closure of the Tendering Period.

## RISK FACTORS

### RISKS RELATED TO THE TRANSACTION, THE PROPOSED OPEN OFFER AND THE PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRERS AND THE PACs

#### (A) Relating to the Transaction:

1. This Offer is subject to approval of Shareholders of the Target Company for Preferential Issue and in-principle approval of the Stock Exchange(s) for listing of such Shares on the Stock Exchange. Acquirers are the existing promoters of the Target Company and are seeking approval from the members of the TC. The underlying transaction is subject to completion risks as would be applicable to similar transactions.
2. If, at a later date, any other statutory or regulatory or other approvals are required, the Offer would become subject to receipt of such other additional statutory or regulatory or other approvals.

The Target Company has obtained the requisite approvals with respect to the Proposed Preferential Issue to the Acquirers and PACs, the details of which are as follows:

- a) The Target Company has obtained the In-principle approval from BSE for listing of Equity Shares proposed to be issued to the Acquirers and PACs by the Target Company via letter dated April 10, 2018 issued by BSE.
- b) Approval of the Shareholders of the Target Company has been obtained for the proposed issuance of Equity Shares to the Acquirers and PACs vide Special Resolution passed through postal ballot on March 28, 2018.

#### Relating to the Offer:

1. In case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the Equity Shares tendered by the Shareholders in the Offer will be accepted.

2. In the event that either (a) regulatory approval is not received in a timely manner or (b) there is any litigation leading to stay of the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of Consideration to the Shareholders of "KCL", whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirers, may be delayed. 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 Shareholders of the Target Company who have accepted the 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 SEBI (SAST) Regulations.
3. Shareholders should note that the Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
4. The Shareholders are advised to consult their respective tax advisers for assessing the tax liability pursuant to Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in the Letter of Offer.
5. The Acquirers, PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, the DPS, this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and PACs, excluding such information pertaining to the Target Company, which has been obtained from publicly available sources or provided or confirmed by the Target Company. Any person placing reliance on any other source of information will be doing so at his/her/its own risk.

**(C) Probable risk involved in associating with the Acquirers & PACs**

1. The Acquirers and PACs make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirers and PACs make no assurance with respect to their investment/disinvestment decisions relating to their proposed shareholding in the Target Company.
3. The Acquirers and PACs do not 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 disclaim 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.
4. The Acquirers and PACs do not accept any responsibility for statements made otherwise than in the Letter of Offer (LOF)/Draft Letter of Offer (DLOF)/Detailed Public Statement (DPS)/Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirers and/or the PACs) would be doing so at his/her/its own risk.

**The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of Target Company are advised to consult their Stock Brokers or Investment Consultants, if any, for analyzing all the risks with respect to their participation in the Offer.**

**Currency of Presentation:**

1. In this Letter of Offer, all references to "Rs.,"/"Rupees"/"INR" are references to Indian Rupee(s), the official currency of India.
2. In this Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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## 1. DEFINITIONS AND ABBREVIATIONS

Term	Definition/Abbreviation
Acquirers	Mr. Ketankumar P. Patel ("Acquirer 1") and Mr. Parshottambhai M. Patel ("Acquirer 2")
Board of Directors	The Board of Directors of the Target Company
Book Value Per Share	Net worth/No of outstanding equity shares
BSE	BSE Limited
Buying Broker	Pravin Ratilal Share and Stock Brokers Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	The Companies Act, 2013 as applicable, as amended or modified from time to time or The Companies Act, 1956 to the extent applicable.
Clearing Corporation/( ICCL)	Indian Clearing Corporation Ltd.
Closure of Tendering Period/Closure of Offer	Friday , May 18, 2018
Depositories	CDSL and NSDL
DIN	Director Identification Number
DP	Depository Participant
DPS / Detailed Public Statement	Detailed Public Statement relating to the Offer published on March 5, 2018 Monday on behalf of the Acquirers along with PACs in all editions of Financial Express (English), Jansatta (Hindi), Financial Express (Gujarati- Ahmedabad -edition) and Mumbai Lakshwadeep (Marathi- Mumbai edition)
DLOF / Draft Letter of Offer	The Draft Letter of Offer dated March 12, 2018.
Eligible Person(s) / Shareholder(s) for the Offer / Public Shareholders	All owners (registered or unregistered) of Equity Shares of the Target Company who own the Shares at any time before the Closure of the Tendering Period, except the Acquirers, PACs and Promoters.
EPS	Earnings per Equity Share derived by dividing the Profit after Tax less preference dividend by Number of issued, subscribed and fully paid-up equity shares.
Emerging Voting Capital	The paid-up equity share capital of 62,16,488 Equity Shares of Rs.10/- (Rupees Ten only) each of the Target Company after taking into account the Preferential Issue of 43,50,096 Equity Shares;
Equity Shares/ Shares	Equity Shares of the Target Company, having face value of Rs. 10/- each unless it is specified.
Escrow Account	Escrow Account No. 57500000150722 opened by the Acquirers, Escrow Bank and Manager to the Offer in relation to this Offer.
Escrow Agreement	The Escrow Agreement dated February 23, 2018 entered into amongst the Acquirers, the Manager to the Offer and the Escrow Bank.
Escrow Bank	HDFC Bank Limited, having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013
FII(s)	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995) registered with SEBI under applicable laws in India.
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement.
FY	Financial Year
Identified Date	Thursday, April 19, 2018 being the date for the purpose of identifying Eligible Shareholders to whom the Letter of Offer will be sent.
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961 as amended from time to time.
ISIN	International Securities Identification Number

<b>Term</b>	<b>Definition/Abbreviation</b>
KPPIL	K P International Private Limited
Letter of Offer (LOF)	Letter of Offer including the Form of Acceptance-cum-Acknowledgement to be dispatched to the shareholders of the Target Company.
Listing Agreement	The equity Listing Agreement entered into by KCL with BSE
Manager / Manager to the Offer / Merchant Banker /Vivro	Vivro Financial Services Private Limited (VFSPL)
Maximum Consideration	The maximum consideration payable under this Offer, assuming full acceptance, is Rs. 2,78,00,137 (Rupees Two Crores Seventy Eight Lakhs One Hundred and Thirty Seven Only).
MOA	Memorandum of Association of Kemistar Corporation Limited, as amended.
Negotiated Price	Rs. 17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share of face value of Rs. 10/- each
N.A.	Not Applicable
NRI	Non Resident Indians as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Body as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
Offer/ Open Offer	Open Offer being made by the Acquirers along with PACs to the Shareholders of KCL (other than the Acquirers, PACs and Promoters) to acquire up to 16,16,287 representing 26.00% of the Emerging Voting Capital of the TC at an Offer Price of Rs. 17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share payable in cash.
Offer Price	Rs. 17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share of Rs. 10/- each of the Target Company payable in cash as determined under regulation 8 of the SEBI (SAST) Regulation.
Offer Size / Consideration	Rs. 2,78,00,137 (Rupees Two Crores Seventy Eight Lakhs One Hundred and Thirty Seven Only) arrived at by multiplying 16,16,287 Equity Shares by Rs. 17.20 per Equity Share.
Offer / Offering period	Period from the date of release of Public Announcement to the date of payment of consideration to the Shareholders whose Equity Shares are validly accepted under this Offer or the date on which this Offer is withdrawn.
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirers and PACs on Friday, February 23, 2018 in accordance with the SEBI (SAST) Regulations.
PACs /Persons acting in Concert	Mrs. Shantaben P. Patel, Mr. Dipakkumar P. Patel, Mrs. Hiralben D. Patel, Patel Parshottamdas M HUF, Patel Dipakkumar Parashottmdas HUF.
PAC 1	Mrs. Shantaben P. Patel
PAC 2	Mr. Dipakkumar P. Patel
PAC 3	Mrs. Hiralben D. Patel
PAC 4	Patel Parshottamdas M. HUF
PAC5	Patel Dipakkumar Parashottmdas HUF
Promoters	Promoters of Kemistar Corporation Limited as per disclosures made under SEBI (SAST) Regulations, 1997 and under SEBI (SAST) Regulations, 2011.
Preferential Issue	Proposed issue and allotment of 43,50,096 Equity Shares of face value of Rs. 10/- (Rupees Ten only) each at a price of Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share representing 69.98% of the Emerging Voting Capital pursuant to the Swap Arrangement.
Registrar / Registrar to the Offer	Purva Sharegistry (India) Pvt. Ltd.
RBI	Reserve Bank of India
Return on Net Worth	(Profit After Tax/Net Worth)*100
Rs. / Rupees/ INR	Indian Rupees, the Legal Currency of India
SEBI/Board	Securities and Exchange Board of India

Term	Definition/Abbreviation
SCCR	Securities Contracts (Regulation) Rules, 1957, and subsequent amendments thereof.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time.
SEBI (ICDR) Regulations, 2009	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
SEBI(LODR) Regulations, 2015/ LODR	Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.
SEBI (SAST) Regulations/ SEBI (SAST) Regulations, 2011/ the Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof.
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof.
Shareholders/Equity Shareholders/Public Shareholders	The shareholders and beneficial owners (registered or otherwise) of Equity Shares of Target Company, other than, the Acquirers, PACs and Promoters.
Stock Exchanges	BSE
Swap Arrangement	Swap Arrangement dated February 23, 2018 executed amongst the Target Company, K P International Private Limited ("KPIPL") and the shareholders of KPIPL as mentioned therein ("K.P. Investors") pursuant to which the Target Company shall make the Preferential Issue against the swap of shares of KPIPL by K. P. Investors in the ratio of 204:100 i.e. Two Hundred and Four Equity Shares of the Target Company for every One Hundred shares of KPIPL swapped by K. P. Investors.
Target Company/ TC/ "KCL"	Kemistar Corporation Limited.
Tendering Period	Period within which Shareholders of Target Company may tender their Equity Shares in acceptance to the Offer i.e., the period commencing from Monday, May 7, 2018 and closing on May 18, 2018 (both days inclusive).
Working Day	Working days of SEBI as defined in the SEBI (SAST) Regulations, 2011 in Mumbai

**Note:** All terms beginning with a Capital Letter used in this Letter of Offer and not specifically defined herein, shall have the meanings ascribed to them in the SEBI (SAST) Regulations, 2011 unless specified.

## 2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE 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 THE LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF KEMISTAR CORPORATION LIMITED, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS, PACs OR OF THE COMPANY WHOSE SHARES / 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 THE ACQUIRERS AND PACs ARE 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 THE ACQUIRERS AND PACS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGER OF THE OFFER – VIVRO FINANCIAL SERVICES PRIVATE LIMITED HAS SUBMITTED DUE DILIGENCE CERTIFICATE DATED MARCH 12, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT HOWEVER ABSOLVE, THE ACQUIRERS AND PACS 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 Offer

3.1.1 This Offer is being made by the Acquirers along with the PACs to the Shareholders of the Target Company in compliance with Regulation 3(1) of the SEBI (SAST) Regulations to acquire up to 16,16,287 Equity Shares of Rs. 10/- each representing 26.00% of the Emerging Voting Capital of the Target Company (the "Offer Size") at a price of Rs. 17.20 (Rupees Seventeen and Paise Twenty only) ("Offer Price") per Equity Share, payable in Cash, subject to the terms and conditions set out in the Public Announcement (PA), Detailed Public Statement (DPS), the DLOF and this Letter of Offer (LOF), that will be sent to the Shareholders of the Target Company.

3.1.2 As on date of this LOF, the Acquirers hold 91,140 Equity Shares representing 1.47% of Emerging Voting Capital of the Target Company. PAC 2 holds 1,952 Equity Shares representing 0.03% of Emerging Voting Capital of the Target Company. The Acquirers belong to the Promoter/Promoter Group of the Target Company.

3.1.3 The details of the Transaction which triggered the Open Offer is as under:

On February 23, 2018, the Board of Directors of the Target Company inter-alia has pursuant to section 62 and other applicable provisions of Companies Act, 2013 and SEBI (ICDR) Regulations, 2009 and subject to approval of the members of the Target Company and other statutory authorities, approved the issuance and allotment of 43,50,096 Equity Shares of face value of Rs. 10/- each representing 69.98% of the Emerging Voting Capital of the Target Company through Preferential Issue to the Acquirers and PACs against swap of their shares of KPIPL in the ratio of 204:100 i.e. Two Hundred and Four Equity Shares of the Target Company for every One Hundred shares of KPIPL swapped pursuant to Swap Arrangement executed amongst the Target Company K P International Private Limited ("KPIPL") and the shareholders of KPIPL as mentioned therein ("K.P. Investors") . The details of proposed allotment are as under:

Sr. No.	Name of the Proposed Allottee	No. of Shares swapped in KPIPL	No. of shares proposed to be allotted in KCL
1	Mr. Ketankumar P Patel (Promoter of KPIPL and KCL and the Acquirer 1)	1,32,400	2,70,096
2	Mr. Parshottambhai M. Patel (Promoter of KPIPL and KCL and Acquirer 2)	5,21,000	10,62,840
3.	Mrs. Shantaben P. Patel (Promoter of KPIPL and PAC 1 and mother of the Acquirer 1)	5,95,000	12,13,800
4	Mr. Dipakkumar P. Patel (Promoter of KPIPL and PAC 2 and husband of the PAC 3)	8,000	16,320
5	Mrs. Hiralben D. Patel (Promoter of KPIPL and PAC 3 and wife of the PAC 2)	3,00,000	6,12,000
6	Patel Parshottamdas M HUF (Promoter of KPIPL and PAC 4)	4,10,000	8,36,400
7	Patel Dipakkumar Parshottamdas HUF (Promoter of KPIPL and PAC 5)	1,66,000	3,38,640
	<b>Total</b>	<b>21,32,400</b>	<b>43,50,096</b>

3.1.4 As per the Valuation Report dated February 23, 2018 issued by Mr. Hiren Patel, (Membership No. 132726), Partner of Patel and Jesalpura, Chartered Accountants, the above mentioned Shareholders of KPPIL will be allotted Shares of KCL in the ratio of 204:100 (Two Hundred and Four Equity Shares of KCL against 100 Shares of KPPIL).

3.1.5 Upon completion of the aforementioned Preferential Allotment of Equity Shares to the Acquirers and the PACs, their individual holding as well as the Promoter Group aggregate holding would exceed threshold limit set out in Regulation 3(1) of the SEBI (SAST) Regulations. The same is presented in the table below:



Particulars	Pre-Preferential Allotment Shareholding		No. of Equity Shares proposed to be allotted under Preferential Issue	Post-Preferential Allotment Shareholding		Incremental % of Voting Capital
	No. of Equity Shares	% of Present Capital		No. of Equity Shares	% of Emerging Voting Capital	
Mr. Ketankumar P Patel	28,040	1.50	2,70,096	2,98,136	4.80	3.3
Mr. Parshottambhai M. Patel	63,100	3.38	10,62,840	11,25,940	18.11	14.73
Mrs. Shantaben P. Patel	0	-	12,13,800	1,213,800	19.53	19.53
Mr. Dipakkumar P. Patel	1,952	0.10	16,320	18,272	0.29	0.19
Mrs. Hiralben D. Patel	0	-	6,12,000	6,12,000	9.84	9.84
Patel Parshottambdas M HUF	0	-	8,36,400	8,36,400	13.45	13.45
Patel Dipakkumar Parshottamdas HUF	0	-	3,38,640	3,38,640	5.45	5.45
<b>Total</b>	<b>93,092</b>	<b>4.98</b>	<b>43,50,096</b>	<b>44,43,188</b>	<b>71.47</b>	<b>-</b>

- 3.1.6 There will be no change in Control of the Target Company pursuant to Preferential Allotment and Open Offer. The PACs mentioned hereinabove will form part of the Promoter Group on completion of the Offer.
- 3.1.7 Notice of Postal Ballot dated February 23, 2018 was dispatched to the Shareholders inter alia to approve the Preferential Allotment in accordance with the provisions of Section 62 of the Companies Act and other applicable provisions including the SEBI (SAST) Regulations, 2011. The Shareholders have approved issuance and allotment of the said Equity Shares and the result of the postal ballot has been announced on March 28, 2018. The Shares allotted during the Offer Period shall be kept in a separate Demat Account opened in the name and style of "Vivo-Kemistar Corporation Limited-Preferential Allotment-Demat Escrow Account" in compliance with Regulation 22(2A) of the SEBI (SAST) Regulations through an 'Escrow Demat Agreement' between the Acquirers, the Manager to the Offer and the Demat Escrow Agent. The Manager to the Offer have the right to operate the Demat Escrow Account and the Acquirers and PACs shall not exercise any voting rights over said shares kept in the Demat Escrow Account. Upon fulfillment of all the Offer related formalities, the said Equity Shares will be transferred to the respective DP accounts of the Acquirers and PACs and the Demat Escrow Account will be closed.
- 3.1.8 The Target Company has made an application to BSE on March 9, 2018 under Regulation 28 of SEBI (LODR) Regulations, 2015 for obtaining In-Principle Approval for listing of Equity Shares to be allotted on Preferential Allotment basis to the Acquirers and the PACs. BSE has given its In Principle approval for the same vide its letter dated April 10, 2018.
- 3.1.9 The Offer is not pursuant to any open market purchase or a global acquisition resulting in an indirect acquisition of the Equity Shares of the Target Company.
- 3.1.10 There is no formal agreement between the Acquirers to acquire the Equity Share under the Offer. They will acquire the Equity Shares as per mutual understanding.
- 3.1.11 The Acquirers and the PACs have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.12 As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, 2011, the Board of Directors of the Target Company has constituted a Committee of Independent Directors to provide their reasoned recommendations on the Offer and such reasoned recommendations shall be published in the same newspapers in which the Detailed Public Statement was published by not later than May 3, 2018 and simultaneously a copy of such recommendations is required to be sent to SEBI, the Stock Exchange and to the Manager to the Offer.

### 3.2 Details of the Proposed Offer

3.2.1 A Detailed Public Statement as per Regulation 14(3) of SEBI (SAST) Regulations, 2011 pursuant to Public Announcement made by the Acquirers along with PACs was published in the following newspapers, on March 5, 2018:

Name of the Newspaper	Edition
Financial Express	English (All edition)
Jansatta	Hindi (All edition)
Financial Express	Gujarati (Ahmedabad Regional Edition)
Mumbai Lakshwadeep	Marathi (Mumbai Regional Edition)

3.2.2 A copy of the PA, the DPS and this Letter of Offer is also available on the SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)).

3.2.3 This Offer is being made by the Acquirers along with PACs to the Equity Shareholders of the Target Company (other than the Acquirers PACs and Promoters of the TC), to acquire up to 16,16,287 (Sixteen Lakhs Sixteen Thousand Two Hundred and Eighty Seven only) Equity Shares representing 26% of Emerging Voting Capital of the Target Company ("Offer Size") at a price of Rs. 17.20 (Rupees Seventeen and Paise Twenty only) ("**Offer Price**") per Equity Share of Rs.10/- each of the Target Company, payable 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 this Letter of Offer.

3.2.4 The Acquirers and the PACs have not acquired any Equity Shares of the Target Company from the date of Public Announcement i.e. February 23, 2018 till the date of this Letter of Offer.

3.2.5 As on the date of the Letter of Offer, there are no outstanding partly paid up equity shares or any other convertible instruments to be converted into Equity Shares of the Target Company at a future date.

3.2.6 There is no differential pricing in the Offer.

3.2.7 This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011 and there has been no competing offer as on the date of this Letter of Offer.

3.2.8 This Offer is not conditional and subject to any minimum level of acceptance from the Shareholders of the Target Company, in terms of Regulation 19 (1) of SEBI (SAST) Regulations, 2011.

3.2.9 The Equity Shares tendered and accepted pursuant to the Offer will be acquired by the Acquirers only as per mutual understanding.

3.2.10 All Equity Shares validly tendered by the Shareholders will be acquired by the Acquirers only in accordance with the terms and conditions contained in the DPS and this Letter of Offer. In the event that the Equity Shares validly tendered in the Offer by the Shareholders are more than the Offer Size, the acquisition of Equity Shares from each Public Shareholder will be 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.

3.2.11 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.

3.2.12 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Vivro Financial Services Private Limited as the Manager to the Offer.

3.2.13 The Manager to the Offer, Vivro Financial Services Private Limited, does not hold any Equity Shares in the Target Company as on the date of this Letter of Offer and is not related to the Acquirers, PACs and the Target Company in any manner whatsoever. 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.

3.2.14 In terms of Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the "**SCRR**"), the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. 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 Securities Contract (Regulation) Rules, 1957 SCRR and in accordance with Regulation 7(4) of SEBI (SAST) Regulations. However, the Acquirers and the PACs undertake to take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement within the time period mentioned therein.

Further, the Acquirers and the PACs shall not be eligible to make a voluntary delisting offer under the SEBI (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months have elapsed from the date of completion of the Offer period as per regulation 7(5) of SEBI (SAST) Regulations.

### 3.3 Objects of the Acquisition / Offer:

- 3.3.1 This Offer is being made to the public shareholders of Target Company pursuant to and in compliance with regulation 3(1) of the SEBI (SAST) Regulations.
- 3.3.2 The object of acquisition is to acquire substantial shares/voting rights in the Target Company and make K P International Private Limited ("KPIPL") (Company owned by the Acquirers and the PACs) as its Subsidiary Company. At present, the Acquirers and the PACs 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 and the PACs may expand the existing business of the Target Company.
- 3.3.3 The Acquirers and PACs 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 Regulations.

## 4. ACQUIRER(S), PACS, TARGET COMPANY AND OFFER

### BACKGROUND OF THE ACQUIRER AND PACS

#### 4.1 Mr. Ketankumar P. Patel (Acquirer 1)

- 4.1.1 Mr. Ketankumar P. Patel, S/o Mr. Parshottamdas M. Patel, aged about 43 years, is an Indian Resident, residing at 11,12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380015 Tel.: +91-79-26923570, Fax: +91-79-26923587, Email: [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com).
- 4.1.2 He is post graduate in business administration from Gujarat University and is Bachelor of Engineering (Mechanical) from Gujarat University in the year 1997. He has over two decades of experience in pigment and dyes industry.
- 4.1.3 The major entities promoted/ controlled/managed by the Acquirer 1 are as under:

Sr. No.	Name of the Company / LLP	Designation / Partner
1.	K P International Private Limited	Director
2.	AGR-EH Technologies Private Limited	Director
3.	Agro Chemicals Manufacturers Association of India	Director
4.	INDO KP Ventures LLP	Partner
5.	K P Ecoenergy LLP	Partner
6.	Kemistar Corporation Limited.	Managing Director

- 4.1.4 As on the date of this LOF, the Acquirer 1 holds 2,98,136 (2,70,096 allotted on April 13, 2018) Equity Shares representing 4.80 % of the Emerging Voting Capital of the Target Company of Face Value of Rs. 10/- each allotted at Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share on Preferential Issue basis against Swap of Shares of KPIPL. He is Managing Director in the Target Company. The Equity Shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer 1 and Acquirer 2 only.
- 4.1.5 Mr. Gaurav N. Zinzuwadiya, proprietor of Gaurav N. Zinzuwadiya ,Chartered Accountants (Membership No. 150295), having his office at G-301, Shayona Tilak -III, New S.G Road, Gota, Ahmedabad-382481, M. No. 9909650008, has

certified vide his certificate dated February 23, 2018 that the net-worth of the Acquirer 1 as on February 23, 2018 is Rs.4.45Crores (Rupees Four Crores and Forty Five Lakhs).

#### **4.2 Mr. Parshottambhai Mohanlal Patel (Acquirer 2)**

4.2.1 Mr. Parshottambhai M. Patel, S/o Mr. Mohanlal Patel, aged about 75 years, is an Indian Resident, residing at 11,12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380015,Gujarat, India Tel.: +91-79-26923570, Fax: +91-79-26923587, Email: [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com).

4.2.2 He is Science graduate from Gujarat University. He has experience of more than 45 years in pigment and dyes and textile industry.

4.2.3 The major entities promoted/ controlled/managed by the Acquirer 2 are as under:

<b>Sr. No.</b>	<b>Name of the Company / LLP</b>	<b>Designation / Partner</b>
1.	K P International Private Limited	Director
2.	INDO KP Ventures LLP	Partner
3.	K P Ecoenergy LLP	Partner

4.2.4 As on the date of this LOF, Acquirer 2 does not hold any position on the board of directors of any listed company nor is he a whole time director in any company.

4.2.5 As on the date of this LOF, Acquirer 2 holds 11,25,940 (10,62,840 Equity Shares allotted on April 13, 2018) Equity Shares of the Target Company, representing 18.11% of the Emerging Voting Capital of the Target Company, of Face Value of Rs. 10 each allotted at Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share on Preferential Issue basis against Swap of Shares of KPIPL.

4.2.6 Mr. Gaurav N. Zinzuwadiya, proprietor of Gaurav N. Zinzuwadiya, Chartered Accountants (Membership No. 150295), having his office at G-301, Shayona Tilak -III, New S.G Road, Gota, Ahmedabad-382481 M. No. 9909650008, has certified vide his certificate dated February 23, 2018 that the net-worth of the Acquirer 2 as on February 23, 2018 is Rs. 3.30 Crores (Rupees Three Crores and Thirty Lakhs).

#### **4.3 Mrs. Shantaben P. Patel ("PAC 1")**

4.3.1 Mrs. Shantaben Patel is W/o Mr. Parshottambhai Patel, aged about 73 years residing at 11,12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380 015, Gujarat, India, Tel.: +91-79-26923570, Fax: +91-79-26923587 Email: [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com).

4.3.2 PAC 1 is a house wife and is not involved in the business of the TC.

4.3.3 As on the date of this LOF, PAC 1 holds 12,13,800 (12,13,800 Equity Shares allotted on April 13, 2018 ) Equity Shares of the Target Company, representing 19.53% of the Emerging Voting Capital of the Target Company of Face Value of Rs. 10 each allotted at Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share on Preferential Issue basis against Swap of Shares of KPIPL.

#### **4.4 Mr. Dipakkumar P. Patel ("PAC 2")**

4.4.1 Mr. Dipakkumar P. Patel, Son of Mr. Parshottambhai Patel, aged about 50 years residing at 11, 12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380 015, Gujarat, India, Tel.: +91-79-26923570, Fax: +91-79-26923587 Email: [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com).

4.4.2 He is Bachelor of Engineer (Chemical) from Gujarat University. He is not involved in the business of the Target Company. He is not director in any company, including any listed company.

4.4.3 As on the date of this LOF, PAC 2 holds 18,272 (16,320 Equity Shares allotted on April 13, 2018) Equity Shares of the Target Company, representing 0.29% of the Emerging Voting Capital of the Target Company of Face Value of Rs. 10 each allotted at Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share on Preferential Issue basis against Swap of Shares of KPIPL.

#### **4.5 Mrs. Hiralben D. Patel (“PAC 3”)**

- 4.5.1 Mrs. Hiralben D Patel is W/o Mr. Dipakkumar Patel, aged about 46 years residing at 11,12 Devpriya bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380 015, Gujarat, India, Tel.: +91-79-26923570, Fax: +91-79-26923587 Email: [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com).
- 4.5.2 She has done graduation and is not involved in the business of the TC.
- 4.5.3 As on the date of this LOF, PAC 3 holds 6,12,000 (6,12,000 Equity Shares allotted on April 13, 2018) Equity Shares of the Target Company, representing 9.84% of the Emerging Voting Capital of the Target Company at Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share on Preferential Issue basis against Swap of Shares of KPIPL .

#### **4.6 Patel Parshottamdas M HUF (“PAC 4”)**

- 4.6.1 Patel Parshottamdas M HUF is an Hindu Undivided Family having PAN: AAIHP0252K, has its registered address at 11, 12 Devpriyabunglow part 1, 100 ft. Road, Satellite, Ahmedabad-380 015, Gujarat, India, Tel.: +91-79-26923570, Fax: +91-79-26923587 Email: [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com). Mr. Parshottambhai Patel is the Karta of Patel Parshottamdas M HUF. His mobile No. is +91- 9727752643 and his email id is [pmpatel0355@gmail.com](mailto:pmpatel0355@gmail.com)
- 4.6.2 Mr. Parshottambhai Patel, the Karta is aged 75 years, is a Science graduate from Gujarat University. He has experience of more than 45 years in pigment and dyes and textile industry.
- 4.6.3 Mr. Parshottambhai Patel, the Karta of PAC 4, is director and promoter of K P International Private Limited and partner in INDO KP Ventures LLP and K P Ecoenergy LLP. PAC-4 has not promoted any other venture except as mentioned hereinabove. The ultimate beneficiaries of PAC 4 are Mr. Parshottambhai Patel and Mrs. Shantaben P. Patel.
- 4.6.4 As on the date of this LOF, PAC 4 holds 8,36,400 ( 8,36,400 Equity Shares allotted on April 13, 2018) Equity Shares of the Target Company, representing 13.45% of the Emerging Voting Capital of the Target Company allotted at Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share on Preferential Issue basis against Swap of Shares of KPIPL

#### **4.7 Patel Dipakkumar Parshottamdas HUF (“PAC 5”)**

- 4.7.1 Patel Dipakkumar Parshottamdas HUF is an Hindu Undivided Family having PAN: AAIHP0254R has its registered address at 11,12 Devpriya bunglow part 1, 100 ft. Road, Satellite, Ahmedabad-380 015, Gujarat, India, Tel.: +91-79-2923570, Fax: +91-79-26923587 Email: [kemistarbse@gmail.com](mailto:kemistarbse@gmail.com). Mr. Dipakkumar P. Patel is the Karta of Patel Dipakkumar Parshottamdas HUF. His mobile No. is +91- 9427426496 and his email id is [dipakrakholia@gmail.com](mailto:dipakrakholia@gmail.com).
- 4.7.2 The Karta of PAC 5 has not promoted any company/ venture. He does not hold directorship in any company, including a listed company. The ultimate beneficiaries of PAC 5 are Mr. Dipakkumar P. Patel and Mrs. Hiralben D.Patel.
- 4.7.3 Mr. Dipakkumar P. Patel is Bachelor of Engineer (Chemical) from Gujarat University. He is not involved in the business of the Target Company.
- 4.7.4 As on the date of this LOF, PAC 5 holds 3,38,640 (3,38,640 Equity Shares allotted on April 13, 2018) Equity Shares of the Target Company, representing 5.45% of the Emerging Voting Capital of the Target Company allotted at Rs. 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share on Preferential Issue basis against Swap of Shares of KPIPL.

#### **4.8 Other Information of the Acquirers and PACs**

- i) Acquirer 1 and PAC 2 are the sons of Acquirer 2 and PAC 1. Acquirer1 and PAC 2 are brothers. PAC 3 is wife of PAC 2.
- ii) The Acquirers and PACs did not acquire any Equity Shares of the Target Company during twelve (12) months period prior to Public Announcement made to the Shareholders of the Target Company, except, Mr. Parshottambhai M. Patel acquired 42,700 representing 6.36% of Voting Capital of the Target Company by way of interse transfer of Shares among the Promoters on July 5, 2017.
- iii) The Acquirers and PACs 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 (the “SEBI Act”) or under any other Regulations made under the SEBI Act.
- iv) The Acquirers and PACs are not part of any group.

- v) None of the entities promoted or controlled by the Acquirers and PACs as mentioned above are either participating or acting in Concert with the Acquirers in this Open Offer.
- vi) The Acquirers and PACs are not on the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters issued by SEBI.
- vii) Acquire 1 is the Managing Director of the Target Company, holding 4.80% of the Emerging Voting Capital of the Target Company and presently controlling the management of the Target Company. He shall recuse himself and not participate in any matter concerning or relating to the Open Offer including any preparatory steps leading to the Offer.
- viii) The Acquirers and PACs undertake that they will not sell the Equity Shares of the Target Company during the Offer period in terms of Regulation 25(4) of SEBI (SAST) Regulations.
- ix) Neither the Acquirers, PACs nor any of the entities with which they are associated is/ are in securities related business nor registered with SEBI as a Market Intermediary.

**5. INFORMATION ABOUT THE TARGET COMPANY–KEMISTAR CORPORATION LIMITED (KCL):**

1. The Target Company was incorporated on August 24, 1994, under the Companies Act, 1956 in the name and style as Integrated Amusement Limited as a limited company and received the Certificate of commencement of business on August 31, 1994 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of the Target Company was changed to Kemistar Corporation Limited and a fresh certificate of incorporation consequent to change of name was obtained on September 4, 2009. The CIN of the Target Company is L24233GJ1994PLC022845. The ISIN of the Target Company is INE971L01029.
2. The registered office of the Target Company is situated at 604, Manas Complex, Jodhpur Cross Road Satellite, Ahmedabad - 380015, India. Tele No.: +91 79-26923570; Email: kemistarbse@gmail.com.
3. The Target Company is engaged in the business of trading and manufacturing of pigments, dyes and speciality chemicals.
4. As on the date of this LOF, the Authorised Share Capital of KCL is Rs. 8,50,00,000/- (Rupees Eight Crores Fifty Lakhs Only) consisting of 85,00,000 Equity Shares of 10/- each. The Issued, Subscribed and Paid Up Share Capital of the Target Company is Rs.1,86,63,920/- (Rupees One Crore Eighty Six Lakhs Sixty Three Thousand Nine Hundred and Twenty Only) consisting of 18,66,392 Equity Shares of Rs. 10/- each.
5. In 2015, a Scheme of Reduction of Capital ("Scheme") under Section 100 to 104 of the Companies Act, 1956 between the Target Company, its shareholders and creditors was sanctioned by Hon'ble High Court of Gujarat vide order dated June 13, 2015. The synopsis of the Scheme is as under:

The Target Company's paid up equity capital was reduced by 92% from ₹ 8,39,24,000 consisting of 8,39,24,00 Equity Shares of face value Rs. 10 each by a sum of Rs. 7,72,10,080/- Hence, upon the scheme being effective, the issued, subscribed and paid-up equity share capital reduced to Rs. 67,13,920/- consisting of 6,71,392 Equity Share

The aforesaid reduction was effected by reducing the face value of each equity share from Rs. 10/- to Re. 0.80. Upon the said reduction, 100 equity shares of the reduced face value of Re. 0.80 each was consolidated into 8 Equity shares of the face value Rs. 10/- each.

6. As on date of this Letter of Offer, the capital structure of the Target Company is as follows:

<b>Paid up Equity Shares of the Target Company</b>	<b>No. of Equity shares / Voting Rights (Face Value Rs. 10/- each)</b>	<b>% of Equity Shares / Voting rights</b>
Fully Paid up Equity Shares	18,66,392	100%
Partly Paid up Equity Shares	Nil	Nil
Total Paid up Equity Shares	18,66,392	100%
<b>Total voting rights in Target Company</b>	<b>18,66,392</b>	<b>100%</b>

<b>Emerging Voting Capital (As on 10<sup>th</sup> working day from the closure of the tendering period)</b>	
Equity Shares on the date of Public Announcement	18,66,392
Add: Equity Shares proposed to be issued pursuant to Preferential Issue	43,50,096
Emerging Voting Capital (A) + (B)	62,16,488
Offer Size (26% of Emerging Voting Capital)	16,16,287

7. The entire Capital of 18,66,392 Equity Shares of Face Value Rs. 10 each of Target Company are listed on BSE.
8. The Equity Shares of the Target Company are currently listed & traded on BSE only (Security ID BSE: KEMISTAR and Security code BSE: 531163) and is traded under group/ index P category.
9. 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 BSE.
10. As on date, the Trading in Equity Shares of Target Company is not suspended at BSE. However, the trading in Equity Shares of Target Company is under Graded Surveillance Measures (GSM) – “Stage 0” introduced by Stock Exchanges on account of market surveillance measure.
11. The Equity Shares of the Target Company are not frequently traded within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations on BSE.
12. As on date of this LOF, there is no subsidiary or holding company of the Target Company.
13. There has been no merger, de-merger and spin off in the last three years in the Target Company.
14. As on the date, the Target Company does not have any partly paid up Equity Shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage.
15. The present Board of Directors of KCL are as follows:

Sr. No.	Name	Designation	DIN
1.	Mr.Ketankumar P. Patel*	Managing Director	01157786
2.	Mr. Maheshkumar Kanani	Independent Director	00230163
3.	Mr.Vasantbhai Babubhai Savalia	Director	02249636
4.	Mrs. Nayanaben Atulkumar Patel	Independent Director	07157817

Note: \* Except, Mr. Ketankumar P. Patel (Acquirer 1), there are no persons representing the Acquirers and PACs on the Board of Directors of the Target Company. There shall no change in the Board of Directors of the Target Company after the Offer.

**5.2 The Key Financial Information of the Target Company based on the Audited Limited Reviewed financials for the half year ended September 30, 2017 and Audited Financials for the Year ended March 31, 2017, March 31, 2016 & of March 31, 2015.**

(Rs. In Lakhs except per share data)

<b>Profit &amp; Loss Statement for the Fiscal Year Ended</b>	<b>30-Sept-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
Revenue from operations	29.74	99.71	94.57	96.51
Other income	2.71	5.36	1.03	0.45
<b>Total Income</b>	<b>32.45</b>	<b>105.07</b>	<b>95.60</b>	<b>96.96</b>
Total Expenditure	31.35	100.45	93.46	94.76
Profit before Exceptional and Extraordinary items and taxation	1.10	4.61	2.14	2.20
Exceptional Items	-	-	-	-
<b>Profit Before Tax</b>	<b>1.10</b>	<b>4.61</b>	<b>2.14</b>	<b>2.20</b>
<b>Provision for taxation</b>				
Tax expense	0.22	1.01	0.46	0.46
<b>Profit after tax from continuing operations</b>	<b>0.88</b>	<b>3.59</b>	<b>1.68</b>	<b>1.74</b>
<b>Balance Sheet Statement As at</b>	<b>30-Sept-17</b>	<b>31-Mar-17</b>	<b>31-Mar-16</b>	<b>31-Mar-15</b>
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' funds</b>				

(a) Share capital	186.64	67.14	67.14	839.24
(b) Reserves and surplus	84.78	6.22	2.63	(771.16)
<b>Sub Total</b>	<b>271.42</b>	<b>73.36</b>	<b>69.77</b>	<b>68.08</b>
<b>(2) Non-current liabilities</b>				
(a) Long term Borrowings	-	-	-	-
(b) Deferred tax liabilities (Net)	0.29	0.27	0.23	0.18
(c) Other Long term Liabilities	-	-	-	-
(d) Long term provisions	-	-	-	-
<b>Sub Total</b>	<b>0.29</b>	<b>0.27</b>	<b>0.23</b>	<b>0.18</b>
<b>(3) Current liabilities</b>				
(a) Short-term borrowings	-	-	-	-
(b) Trade Payables	16.18	19.47	16.61	13.82
(c) Other Current Liabilities	0.60	4.91	0.55	0.45
(d) Short-term provisions	3.04	6.12	7.87	0.70
<b>Sub Total</b>	<b>19.82</b>	<b>30.51</b>	<b>25.03</b>	<b>14.98</b>
<b>Total</b>	<b>291.52</b>	<b>104.14</b>	<b>95.03</b>	<b>83.24</b>
<b>II. ASSETS</b>				
<b>(1) Non-current assets</b>				
(a) Fixed assets	4.40	4.47	4.62	4.77
(b) Non-current investments	-	-	-	0.20
(c) Deferred Tax Assets	-	-	-	-
(d) Long term loans and advances	-	-	-	-
(e) Other non-current assets	-	-	0.20	0.20
<b>Sub Total</b>	<b>4.40</b>	<b>4.47</b>	<b>4.82</b>	<b>5.17</b>
<b>(2) Current assets</b>				
(a) Current investments	28.61	42.43	56.83	63.78
(b) Inventories	-	0.40	2.68	-
(c) Trade Receivables	3.92	34.55	29.45	1.70
(d) Cash and bank balances	252.69	20.93	0.69	12.17
(e) Short term loans and advances	1.92	1.35	0.55	0.42
(f) other current assets	-	-	-	-
<b>Sub Total</b>	<b>287.13</b>	<b>99.66</b>	<b>90.20</b>	<b>78.07</b>
<b>Total</b>	<b>291.52</b>	<b>104.14</b>	<b>95.03</b>	<b>83.24</b>

(Source: Annual Reports for the financial year ended on March 31, 2015, March 31, 2016 and March 31, 2017 and Half yearly Audited Limited Reviewed Financials of the September 30, 2017)

### 5.3 Other Financial Data

Particulars	For half Year ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
	(Audited)	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-	-
Earnings Per Share (In Rs.)	0.05	0.54	0.25	0.02
Return on Net Worth (%)	0.32%	4.90%	2.41%	2.55%
Book Value Per Share (In Rs.)	14.54	10.93	10.39	0.81

*Net worth = Equity Share Capital + Reserves and Surplus - Misc. Expenses*

*EPS = Profit after Tax / No. of shares outstanding*

*Return on Net Worth = (Profit after Tax / Net Worth)\*100*

*Book Value per Share = Net Worth / No. of shares outstanding*



5.4 Pre and Post Shareholding pattern of the Target Company as on the date of this Letter of Offer is as follows:

Shareholders' Category	Equity Shareholding & voting rights prior to Pref. Issue and Offer		Equity Shares / voting rights agreed to be acquired through Pref. Issue which triggered off the Regulations		Shares/ voting rights to be acquired in Offer (assuming full acceptances)		Shareholding / voting rights after the acquisition and Offer.	
	(A)		(B)		(C)		(D) = (A)+(B)+(C)	
	No.	%*	No.	%*	No.	%*	No.	%*
<b>1. a) Promoter &amp; Promoter Group</b>								
(including Acquirers)								
Mr. Ketankumar P. Patel	28,040	0.45	270,096	4.34	16,16,287	26.00	30,40,363	48.91
Mr. Parshottambhai M. Patel	63,100	1.01	1,062,840	17.10				
<b>b) Promoters other than 'a' above: Individuals</b>								
Mr. Anil Kumar C. Thaker	3,472	0.06						
Mr. Anikumar Devrajibhai Kanani	14,400	0.23						
Mrs. Anjana K. Patel	55,800	0.90						
Mrs. Induben M. Kanani	40	0.00						
Mr. Mahesh Kumar P. Kanani	5,040	0.08						
Mr. Dilipkumar P. Kanani	5,060	0.08						
Mr. Vasantbhai B. Savalia	20,040	0.32	-	-	-	-	-	-
Mr. Mathurbhai Manjibhai Jogani	16,400	0.26						
	<b>1,20,252</b>	<b>1.93</b>						
<b>Total (1) (a+b)</b>	<b>2,11,392</b>	<b>3.40</b>	<b>13,32,936</b>	<b>21.44</b>	<b>16,16,287</b>	<b>26.00</b>	<b>31,60,615</b>	<b>50.84</b>
<b>2. PACs: ^</b>								
Mrs. Shantaben P. Patel	0	0	1,213,800	19.53	0	0	1,213,800	19.53
Mr. Dipakkumar P. Patel	1,952	0.03	16,320	0.26	0	0	18,272	0.29
Mrs. Hiralben D. Patel	0	0	6,12,000	9.84	0	0	6,12,000	9.84
Patel Parshottamdas M HUF	0	0	8,36,400	13.45	0	0	8,36,400	13.45
Patel Dipakkumar Parshottamdas HUF	0	0	3,38,640	5.45	0	0	3,38,640	5.45
<b>Total (2)</b>	<b>1,952</b>	<b>0.03</b>	<b>30,17,160</b>	<b>48.53</b>	-	-	<b>30,17,160</b>	<b>48.53</b>
<b>3. Public</b>								
a) Bodies Corporate	24,332	0.39			(16,16,287)	(26.00)	38,713	0.62
b) Individuals	16,28,652	26.20						
c) Others								
Clearing members	32	0.00						
HUF	32	0.00						
<b>Total (3) (a+b+c)</b>	<b>16,55,000</b>	<b>26.62</b>	-	-	<b>(16,16,287)</b>	<b>(26.00)</b>	<b>38,713</b>	<b>0.62</b>
<b>Grand Total (1+2+3)</b>	<b>18,66,392</b>	<b>30.02</b>	<b>43,50,096</b>	<b>69.98</b>	<b>Nil</b>	<b>Nil</b>	<b>6,216,488</b>	<b>100.00</b>

\*The above percentages are calculated on the basis of Emerging Voting Capital.

^ PACs will form part of Promoter Group

5.5 As on the date of this Letter of Offer, there are 1459 Shareholders under the public category.

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of Offer Price

- 6.1.1. The Equity Shares of the Target Company are listed on BSE and are not suspended from trading on the stock exchange. The Equity Shares are placed under Group 'P' having a Scrip Code of "531163" & Scrip Id: KEMISTAR. The Equity Shares are currently traded under "GSM: Stage 0" introduced by Stock Exchanges on account of market surveillance measure.
- 6.1.2. The Equity Shares of Target Company have not been suspended from trading on BSE at any time except during the period September 30, 2010 to June 22, 2015 due to procedural reasons on account of filing of Scheme of Arrangement. The ISIN and the trading in Shares were suspended on account of the pendency of the approval of Scheme of reduction of capital from the Hon'ble High Court of Gujarat. The scheme of reduction of capital of the Company was approved by the Hon'ble High Court of Gujarat vide order dated 19/06/2015. As per the scheme the paid-up share capital of the company was reduced from Rs. 8,39,24,000 (consisting 83,92,400 Equity shares of Rs. 10 each) to Rs. 67,13,920 (consisting 6,71,392 Equity Shares of Rs. 10 each). The suspension was revoked on June 23, 2015. The Equity Shares of the TC were admitted for listing w.e.f February 24, 2016.
- 6.1.3. The trading turnover of the Equity Shares of the Target Company on BSE based on trading volume during twelve calendar months preceding the month of PA (February 2017 to January 2018) is given below:

Name of the Stock Exchange	Total number of equity shares traded during twelve calendar months preceding the month of PA	Total Number of Listed Equity Shares	Trading Turnover (in terms of % to Total Listed Equity Shares)
BSE	77,700	18,66,392	7.48

Source: [www.bseindia.com](http://www.bseindia.com)

Based on above, the Equity Shares of the Target Company are not frequently traded within the meaning of Regulation 2(1) (j) of the SEBI (SAST) Regulations on BSE.

- 6.1.4. The Offer Price of Rs.17.20 per Equity Share is justified, in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations and the same has been determined after considering highest of the following facts:

Particulars	Price Per Share (Rs.)	
(a) Negotiated Price under the Share Purchase Agreement;	N.A	
(b) Shares proposed to be acquired through Preferential Allotment;	14.77	
(c) The volume-weighted average price paid or payable for any acquisitions, whether by the Acquirer(s) or by any Person(s) acting in concert during the 52 weeks immediately preceding the date of the Public Announcement;	17.20	
(d) The highest price paid or payable for any acquisitions, whether by the Acquirers or by any Person(s) acting in concert during the 26 weeks period immediately preceding the date of Public Announcement;	Not Applicable	
(e) The volume-weighted average market price for a period of 60 trading days immediately preceding the date of Public Announcement on Stock Exchanges;	Not Applicable as Equity Shares are infrequently traded	
(f) Where the shares are not frequently traded, the price determined by Acquirers and the Manager to the Open Offer taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares of such companies;		
<b>Other Parameters</b>	<b>For the six months period ended September 30, 2017</b>	<b>For the year ended March 31, 2017</b>
Networth (Rs.)	2,71,41,526.00	73,35,844.00
Book Value per Share (Rs.)	14.54	10.93
Earnings per Share	0.05	0.54

- 6.1.5. The Fair Value of Equity Share of the Target Company is Rs.17.20 per Equity Share (Rupees Seventeen and Paise Twenty only) as certified by Mr. Hiren Patel, partner of Patel and Jesalpura, Chartered Accountants (M. No. 132726), having his office at 803/804, Samudra Annexe, Near Classic Gold Hotel, C.G. Road, Navrangpura, Ahmedabad -380006 Tele. No. 079-26560321, E-mail: [ashokpatelca@gmail.com](mailto:ashokpatelca@gmail.com) vide valuation certificate dated February 22, 2018.
- 6.1.6. Based on the information above, the Manager to the Offer and the Acquirers and PACs confirm that the Offer price of Rs. 17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share is justified in terms of Regulation 8(1) and 8(2) of SEBI (SAST) Regulations.
- 6.1.7. There has been no corporate action by the Target Company warranting adjustment of any of the relevant price parameters.
- 6.1.8. In the event of further acquisition of Equity Shares of the Target Company by the Acquirers and the PACs during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, Acquirers and PACs shall 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.
- 6.1.9. If the Acquirers along with PACs acquire 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, then the Acquirers and PACs shall pay the difference between the highest acquisition price and the Offer Price, to all the Shareholders whose Shares have been accepted in 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 an open offer as per the SEBI (SAST) Regulations or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of shares of the Target Company whether by way of bulk / block deals or in any other form.
- 6.1.10. 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 working days before the date of commencement of the tendering period and would be notified to the Shareholders by public announcement in the same newspaper where the DPS was published.
- 6.1.11. As on date, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers shall comply with Regulation 18 of SEBI (SAST) Regulations and all other applicable provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.
- 6.1.12. The Acquirers and PACs have not acquired any Equity Shares of the TC from the date of PA up to the date of this Letter of Offer.

## **6.2. Financial Arrangement**

- 6.2.1. The total funds required for implementation of the Open Offer (assuming full acceptance), i.e., for the acquisition of 16,16,287 Equity Shares at the Offer Price of Rs.17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share is Rs. 2,78,00,137 (Rupees Two Crores Seventy Eight Lakhs One Hundred and Thirty Seven Only).
- 6.2.2. In accordance with proviso clause to regulation 24(1) read with regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account under the name and style of "Kemistar Corporation Ltd. - Open Offer-Escrow Account" with HDFC Bank Limited, having its registered office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 ("Escrow Banker") and made therein a cash deposit of Rs. 69,51,000/- (Rupees Sixty Nine Lakhs Fifty One Thousand Only) being more than 25% of the total consideration payable in the Offer, assuming full acceptance.
- 6.2.3. In terms of Regulation 25(1), the Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full out of their own sources/ net worth and no borrowings from any Bank and/ or Financial Institutions are envisaged.
- 6.2.4. Mr. Gaurav N. Zinzuwadiya, proprietor of Gaurav N. Zinzuwadiya, Chartered Accountants (Membership No. 150295), having his office at G-301, Shayona Tilak -III, New S.G Road, Gota, Ahmedabad-382481 M. No. 9909650008, has certified

vide his certificate dated February 21, 2018, certified that sufficient resources are available with the Acquirers for fulfilling the obligations under this Offer in full.

- 6.2.5. The Manager to the Offer is authorized to operate the above mentioned Escrow Account to the exclusion of all others and been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.6. Based on the aforesaid financial arrangements, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill the Acquirers' obligations through verifiable means in relation to this Offer in accordance with the Regulations.
- 6.2.7. In case of upward revision of the Offer Price and/or the Offer Size, the Acquirers shall deposit additional appropriate amount into an Escrow Account to ensure compliance with Regulation 18(5) of the Regulations, prior to effecting such revision.

## **7. TERMS AND CONDITIONS OF THE OFFER**

### **7.1. Operational terms and conditions**

- 7.1.1 The LOF along with Form of Acceptance will be dispatched (through e-mail or physical mode) to all Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company and to the owner of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on April 19, 2018 ("Identified Date").
- 7.1.2 Accidental omission to dispatch this Letter of Offer to any member entitled under this Open Offer or non-receipt of this Letter of Offer by any member entitled under this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.3 The Letter of Offer along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in) and shareholders can also apply by downloading such forms from the website.
- 7.1.4 The Offer is subject to the terms and conditions set out in the Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcement(s) that may be issued with respect to the Offer.
- 7.1.5 This Offer is subject to the receipt of the statutory and other approvals as mentioned in Para. 7.4 of this Letter of Offer. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, 2011, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6 The Offer is not subject to any minimum level of acceptances from shareholders. The Acquirer will acquire all the Equity Shares that are validly tendered and accepted in terms of this Offer up to 16,16,287 Equity Shares representing 26% of fully paid up Emerging Voting Capital of the Target Company.
- 7.1.7 In terms of the Regulation 18(9) of the SEBI (SAST) Regulations, 2011, Public Shareholders who tender their Equity Shares in the Offer shall not be entitled to withdraw such acceptance.
- 7.1.8 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 transferring the Equity Shares during pendency of the said litigation are liable to be rejected, if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.

### **7.2. Locked in shares**

- 7.2.1 As on date of this Letter of Offer, 11,95,000 Equity Shares allotted to public shareholders on preferential allotment basis are under lock- in in terms of SEBI (ICDR) Regulations, 2009. Also the Equity Shares proposed to be allotted on preferential basis will attract lock-in as per the SEBI (ICDR) Regulations, 2009.

### **7.3. Persons eligible to participate in the Offer**

- 7.3.1 Registered Shareholders of Target Company and unregistered shareholders who owns the Equity Shares of Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialized form, except the Acquirers ,PACs and Promoters of the Target Company.

### **7.4. Statutory and Other Approvals**

- 7.4.1. As on the date of the LOF, to the best of the knowledge of the Acquirers and PACs, there are no other statutory approvals and / or consents required to implement the Offer, except for approval of the Shareholders of the Target Company for Preferential Issue & in-principle approval of the Stock Exchange) for listing of such Shares on the Stock Exchange. However, the Offer would be subject to all-statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.

Certain approvals which were initially required have been successfully attained by the Target Company, the details of which are as follows:

**Status of the Approval:**

**In-principle approval from BSE:** The Target Company has obtained the In-principle approval from BSE for listing of Equity Shares proposed to be issued to the Acquirers and PACs by the Target Company via letter dated April 10, 2018 issued by BSE under Regulation 28(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other regulations and guidelines.

**Approval of the shareholders of the Target Company:** Approval of the Shareholders of the Target Company has been obtained for the proposed issuance of Equity Shares to the Acquirers and PACs vide Special Resolution passed through postal ballot on March 28, 2018.

- 7.4.2. As on date, no statutory approvals other than as stated above are required to be obtained for the purpose of this Offer.
- 7.4.3. The Acquirers and PACs in terms of Regulation 23 of SEBI (SAST) Regulations will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 working days of such withdrawal, in the same newspapers in which this DPS has appeared.
- 7.4.4. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay in receipt of the requisite approvals was not due to any wilful default or neglect of the Acquirers and PACs or failure of the Acquirers and PACs to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the Shareholders as directed by SEBI, in terms of Regulation 18(11) of SEBI (SAST) Regulations. Further, if delay occurs on account of wilful default by the Acquirers and PACs in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.
- 7.4.5. No approval is required from any bank or financial institutions for this Offer to the best of the knowledge of the Acquirers and PACs.

**8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER**

- 8.1 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.
- 8.2 The Offer will be implemented by the Acquirers and PACs through stock exchange mechanism made available by BSE in the form of a separate window ("Acquisition Window") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and BSE notice no. 20170202-34 dated February 2, 2017.
- 8.3 BSE shall be designated stock exchange for the purpose of tendering Equity Shares in the Open Offer.
- 8.4 The facility for acquisition of Equity Shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window ("Acquisition Window").
- 8.5 The Acquirers have appointed Pravin Ratilal Share and Stock Brokers Limited ("Buying Broker") for the Offer through whom the purchases and settlement of Offer shall be made during the Tendering Period. The Contact details of the Buying Broker are as mentioned below:
- Pravin Ratilal Share and Stock Brokers Limited**  
"Sakar-1", 5<sup>th</sup> Floor, Opp. Gandhigram Railway Station,  
Navrangpura, Ahmedabad-380 009, Gujarat, India  
**Tel No.:** + 91-79-26582331/66302792; Fax.: + 91-79-26582331  
**Email:** [info@prssb.com](mailto:info@prssb.com); Website: [www.prrsb.com](http://www.prrsb.com)  
**SEBI Registration No.:** INB230758933 (NSE)|INB010758937  
**Contact Person:** Mr. Phaneesh Kumar
- 8.6 All Shareholders who desire to tender their Equity Shares under the Offer would have to approach their respective stock brokers ("Selling Broker"), during the normal trading hours of the secondary market during the Tendering Period. The Selling Brokers can enter orders for dematerialized as well as physical Equity Shares.
- 8.7 The Selling Broker would be required to place an order/bid on behalf of the Shareholders who wish to tender their Equity Shares in the Offer using the acquisition window of the BSE. Before placing the bid, the concerned Public

Shareholder / Selling Broker would be required to transfer the tendered Equity Shares to the special account of Clearing Corporation by using the settlement number and the procedure prescribed by the Clearing Corporation.

- 8.8 The cumulative quantity tendered shall be displayed on the BSE website throughout the trading session, at specific intervals, during the Tendering Period.
- 8.9 Public Shareholders can tender their Equity Shares only through a stock broker with whom the Public Shareholder is registered as client (KYC Compliant).

#### **8.10 Procedure for tendering shares held in Dematerialized Form.**

- (a) Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their indicating the details of Equity Shares they intend to tender in Offer
- (b) The Selling Broker shall provide early pay-in of dematerialized Equity Shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
- (c) For custodian participant, an order for Dematerialized Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- (d) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by BSE / Clearing Corporation, before the opening of the Offer.
- (e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the Exchange bidding system to the Shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered etc.
- (f) The public shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

**The Public Shareholders holding Equity Shares in dematerialized mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Public Shareholders are advised to retain the acknowledged copy of the TRS till the completion of offer period.**

#### **8.11 Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:**

- a) The Public Shareholders who are holding physical Equity Shares and intend to participate in the offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
  - i. The form of Acceptance-cum-Acknowledgement duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
  - ii. Original Share Certificates;
  - iii. Valid shares transfer form(s) (Form SH-4) duly filled and signed by the transferors (i.e., by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirers;
  - iv. Self-attested copy of the Shareholder's PAN card (in case of joint holders PAN card copy of all transferors);
  - v. Any other Relevant documents such as (but not limited to):
    - Duly attested power of attorney if any person other than the equity shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
    - Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased;
    - Necessary corporate authorizations, such as Board Resolutions etc., in case of companies.
  - vi. In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.
- b) Selling Broker should place order on the Acquisition Window with the relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling broker shall provide a TRS generated by the Exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity shares tendered etc.

- c) After placement of order, as mentioned above the Selling Broker/Public Shareholder must ensure delivery of the Form of Acceptance, TRS, original share certificate(s), valid share transfer form(s) (Form SH-4) and other documents either by registered post or courier or hand delivery to the Registrar to the Offer not later than 2 (two) days from the Tendering Period (by 5 PM). The envelope should be superscribed as "**Kemistar Corporation Limited — Open Offer**". One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Brokers/Public Shareholders.
- d) Public 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 Equity Shares shall be subject to verification by RTA . Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical bids". Once Registrar to the Offer confirms the orders, it will be treated as "Confirmed Bids".
- e) In case any person has submitted Equity Shares in physical form for dematerialization, such Public Shareholder should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Offer before the closure of Tendering Period.
- f) Modification / cancellation of orders will not be allowed during the Tendering Period.
- g) The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals, during the Tendering Period.

**Equity Share Certificate(s), Transfer Form(s) (Form SH-4), Form of Acceptance and other documents, if any should not be sent to the Acquirers, the PACs, the Target Company and the Manager to the Offer.**

- 8.12 Shareholders of the Target Company who are either non-resident Indians or Overseas Corporate Bodies and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable Reserve Bank of India ("RBI") approvals (specific and general) which they would have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the Equity Shares tendered by such Shareholders in the Open Offer.

**8.13 Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:**

Persons who have acquired the 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.

A Public Shareholder may participate in the Offer by approaching their Selling Broker and tender Equity Shares in the Open Offer as per the procedure mentioned in the Letter of Offer or in the Form of Acceptance.

The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible Shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such eligible Public Shareholders of the Target Company may download the same from the SEBI's website ([www.sebi.gov.in](http://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.

Alternatively, in case of non-receipt of the Letter of Offer, Public Shareholders holding Equity Shares may participate in the Offer by providing their application on plain paper, in writing, signed by all Public Shareholder, stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, Folio number, Distinctive number, number of Equity Shares tendered and accompanied with other relevant documents such as physical share certificate and transfer form (Form SH-4) in case of Equity Shares being held in physical form. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Tendering Period.

**8.14 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 dematerialized Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Size, 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 Public Shareholder shall not be less than the minimum marketable lot.

### **8.15 Settlement Process**

On closure of the Tendering Period, 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 BSE to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.

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

Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of Clearing Corporation.

The direct credit of Shares shall be given to the demat accounts of the Acquirers indicated by the Acquirers' Buying Broker. For the same, the existing facility of client direct payout in the capital market segment shall be available.

Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the pool account of the Buying Broker.

Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholder would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue, then such Equity Shares will be transferred to the Selling Broker's pool account for onward transfer to the Public Shareholders.

In case of custodian participant orders, excess demat Equity Shares or unaccepted demat Equity Shares, if any, will be returned to the respective custodian participant. Any excess Equity Shares held in physical form pursuant to proportionate acceptance/ rejection will be returned back to the Public Shareholders directly by the Registrar through registered post/ speed post at the Public Shareholders sole risk to the sole / first Public Shareholder (in case of joint Public Shareholders), at the address recorded with the Registrar / Target Company.

### **Settlement of Funds / Payment Consideration**

For Equity Shares accepted under the Open Offer, the Public Shareholders holding Equity Shares in dematerialized form will receive funds payout in the Public Shareholders bank account as provided by the depository system from Clearing Corporation and Selling Broker's (on behalf of the Public Shareholders holding Equity Shares in physical form), will receive funds payout in their settlement bank account from Clearing Corporation. The payment will be made to the Buying Broker by the Acquirers for settlement. Public 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 by Public Shareholders for tendering Equity Shares in the Offer (secondary market transaction).

The consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, charges, expenses (including brokerage), securities transaction tax and any other applicable taxes/charges and the Acquirers, the PACs, Manager to the Offer, Registrar to the Offer and Buying Broker accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholder. 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 Public 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 SEBI (SAST) Regulations, 2011.

### **8.16 Note on Taxation**

For Equity Shareholders holding Equity Shares in demat and physical mode:

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. However, in the budget proposal for the F.Y. 2018-19, it is proposed that sale of listed equity shares held for more than 12 (twelve) months will be subject to long term capital gains tax @ 10% after April 1, 2018. The applicability of the proposal will be subject to approval of the same by both houses of parliament and the President of India. Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax provided the transaction is chargeable to STT.



**SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A RESULT OF THIS OFFER.**

#### **9. DOCUMENTS FOR INSPECTION**

The following documents are available for inspection to the Shareholders of the Target Company at the corporate office of the Manager to the Offer situated at 607, 608, Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai- 400 013, Maharashtra, India during the Tendering Period from Monday to Friday except SEBI Holidays between 10.00 A.M. to 5.00 p.m. until the closure of the Offer.

- 9.1.** Certificate of Incorporation, Memorandum of Association and Articles of Association of Kemistar Corporation Limited.
- 9.2.** Certificate of Incorporation, Memorandum of Association and Articles of Association of K P International Private Limited.
- 9.3.** Certified copy of Audited Annual Reports of the TC for the financial years ended on March 31, 2017, March 31, 2016 and March 31, 2015 and Audited Limited reviewed Financials for the half year ending on September 30, 2017
- 9.4.** Certified copy of Audited Annual Reports of the KPIPL for the financial years ended on March 31, 2017, and Audited Financials for the half year ending on September 30, 2017
- 9.5.** Certificate dated February 23, 2018, issued by Mr. Gaurav N. Zinzuwadiya, proprietor of Gaurav N. Zinzuwadiya, Chartered Accountants (Membership No. 150295) certifying the Networth of the Acquirer 1 and Acquirer 2 as on February 23, 2018.
- 9.6.** Certificate dated February 22, 2018 issued by Mr. Hiren Patel, (Membership No. 132726), partner of Patel and Jesalpura, Chartered Accountants, regarding valuation of Equity Shares of Kemistar Corporation Limited for preferential issue.
- 9.7.** Valuation Report dated February 22, 2018 issued by Mr. Hiren Patel, (Membership No. 132726), Partner of M/s Patel and Jesalpura, Chartered Accountants, certifying the Fair Value of KP International Private Limited and Kemistar Corporation Limited and the Swap Ratio.
- 9.8.** Certificate issued by Mr. Gaurav N. Zinzuwadiya, proprietor of Gaurav N. Zinzuwadiya, Chartered Accountants (Membership No. 150295) dated February 21, 2018 certifying that the Acquirers have firm and adequate financial resources to meet the financial obligations under the Offer.
- 9.9.** Copy of the Swap Arrangement dated February 23, 2018 executed amongst the Target Company, K P International Private Limited ("KPIPL") and the shareholders of KPIPL.
- 9.10.** Copy of Public Announcement dated February 23, 2018 and published copy of the Detailed Public Statement dated March 5, 2018.
- 9.11.** Certificate from HDFC Bank Ltd. confirming the cash deposit of Rs. 69,51,000/- (Rupees Sixty Nine Lakhs Fifty One Thousand Only) kept in Escrow Account opened as per the Regulations and lien marked in favour of Manager to the Offer.
- 9.12.** Copy of the recommendation made by the Target Company's Committee of Independent Directors, as required in terms of Regulation 26(7) of SEBI (SAST) Regulations.
- 9.13.** Copy of Due Diligence Certificate given by Vivro Financial Services Private Limited, Manager to the Offer dated March 12, 2018.
- 9.14.** Copy of Agreement between the Acquirers and Purva Sharegistry (India) Private Limited to act as the Registrar to the Offer and share transfer agent for the purpose of this Offer.
- 9.15.** Copy of the Escrow Agreement Dated February 23, 2018, entered into amongst the Acquirers, Manager to the Offer and the Escrow Bank.
- 9.16.** Copy of Postal Ballot Notice for issue of shares on Preferential Allotment basis.
- 9.17.** Copy of the letter no. SEBI/HO/CFD/DCR-1/OW/P/2018/1 received from SEBI dated April 17, 2018 containing its comments on the Draft Letter of Offer in terms of provisions of Regulation 16(4) of SEBI (SAST) Regulations.

## 10. DECLARATION BY THE ACQUIRERS and PACs

- 10.1. The Acquirers and PACs accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirers and the PACs as laid down in terms of the SEBI (SAST) Regulations.
- 10.2. The Acquirers and PACs shall be responsible for ensuring compliances with the provisions of the SEBI (SAST) Regulations for obligations laid down in the SEBI (SAST) Regulations.
- 10.3. The Manager to the Offer hereby states that the person signing this Letter of Offer are the Acquirers and PACs duly authorized person to sign this Letter of Offer.

### For and on behalf of the Acquirers and the PACs

Sd/- Ketankumar P. Patel (Acquirer 1)	Sd/- Parshottambhai M. Patel (Acquirer 2)	Sd/- Shantaben P. Patel ("PAC 1")	Sd/- Dipakkumar P. Patel ("PAC 2")	Sd/- Hiralben D. Patel ("PAC 3")	Sd/- Patel Parshottamdas M HUF ("PAC 4")	Sd/- Patel Dipakkumar Parshottamdas HUF ("PAC 5")
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**Date: April 21, 2018**

**Place: Ahmedabad**

**Encl.: Form of Acceptance-Cum-Acknowledgement**

**Share transfer form (only to Shareholders holding Equity Shares in physical form)**

**FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT (FOA)  
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

**(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**  
**(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)**

<b>OFFER OPENS ON:</b>	<b>Monday, May 7, 2018</b>
<b>OFFER CLOSES ON:</b>	<b>Friday, May 18, 2018</b>

Please read the Instructions overleaf before filling-in this Form of Acceptance

FOR OFFICE USE ONLY	
Acceptance Number	
Number of Equity Shares Offered	
Number of Equity Shares accepted	
Purchase Consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

Status (Please tick appropriate box)					
<input type="checkbox"/>	Individual.	<input type="checkbox"/>	FII	<input type="checkbox"/>	Insurance Co
<input type="checkbox"/>	Foreign Co.	<input type="checkbox"/>	NRI/OCB	<input type="checkbox"/>	FVCI
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank/FI	<input type="checkbox"/>	Pension/PF
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/LLP	<input type="checkbox"/>	Others (specify)

<b><i>Please insert name, address and other details of Equity Shareholder/ Beneficiary Owner</i></b>		
<b>From:</b>		
<b>Tel. No.:</b>	<b>Fax No.:</b>	<b>Email:</b>

**To,**

The Acquirers

C/o **Purva Sharegistry (India) Private Limited**

9- Shiv Shakti Industrial Estate, J R Boricha Marg,

Opp. Kasturba Hosp., Lower Parel

(E), Mumbai, Maharashtra, 400011

**Sub.: Open Offer for acquisition up to 16,16,287 Equity Shares of Face Value Rs.10/- each of Kemistar Corporation Limited ( the 'Target Company') representing 26% of the Emerging Voting Capital at a price of Rs. 17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share by Mr. Ketankumar P. Patel ("Acquirer 1") and Mr. Parshottambhai M. Patel ("Acquirer 2") along with Mrs. Shantaben P. Patel ("PAC 1"), Mr. Dipakkumar P. Patel ("PAC 2"), Mrs. Hiralben D. Patel, ("PAC 3"), Patel Parshottamdas M HUF ("PAC 4"), Patel Dipakkumar Parashottmdas HUF ("PAC 5") under SEBI (SAST) Regulations, 2011.**

Dear Sir,

1. I/We refer to the Letter of Offer dated April 21, 2018, for acquiring the Equity Shares held by me/us in of Kemistar Corporation Limited.
2. I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
3. I/ We, unconditionally Offer to sell to the Acquirers the following Equity Shares in the Target Company held by me/ us at a price of Rs. 17.20 (Rupees Seventeen and Paise Twenty Only) per Equity Share.

4. Details of Equity Shares held and tendered/ offered under the offer:

<b>Ledger Folio No.....Number of share certificates attached.....</b>		
<b>Representing ..... Equity Shares</b>		
	<b>In figures</b>	<b>In words</b>
Equity Shares held as on Identified Date (April 19, 2018)		
Number of Equity Shares Offered under the Open Offer		

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of Equity Shares
		From	To	
1.				
2.				
3.				
<b>Total No. of Equity Shares</b>				

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

5. I/We authorize the Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares that the Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I/we further authorize the Acquirers to apply and obtain certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me/ us, Equity Share in respect of which the Offer is not found/ not accepted, specifying the reasons thereof.
6. I/ We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.
7. I/ We hereby warrant that the Equity Shares comprised in this Tender Offer are offered under open Offer free from all liens, equitable interest, charges and encumbrance.
8. I/ We declare that there are no restraints/ injunctions or other covenants of any nature which limits/ restricts in any manner my/ our right to tender Equity Shares under the Open Offer and that I/ We am/are legally entitled to tender the Equity Shares.
9. I/ We agree that the Acquirers will pay the Offer Price as per the Stock Exchange mechanism.
10. Details of the other Documents (duly attested) (Please ✓ as appropriate, if applicable) enclosed:

	Power of Attorney		Previous RBI approvals for acquiring the Equity Shares of Worldwide Leather Exports Limited hereby tendered in the Open Offer
	Death Certificate		Succession Certificate
	Self-attested copy of PAN Corporate authorizations		Corporate authorizations
	Others (please specify):		

11. Equity Shareholders Details:

	1st / Sole holder	Joint holder 1	Joint holder 2	Joint holder 3
<b>Full Name(s)</b>				
PAN				
Address of the 1st / Sole holder				
Telephone of 1st / Sole holder e-mail id of 1st / Sole				
Signature(s)*				

\*Corporate must also affix rubber stamp and sign.

**Bank Details**

So as to avoid fraudulent encashment in transit, and also to enable payment through ECS the shareholder(s) may, at their option, provide details of bank account of the first / sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

I / We permit the Acquirers or the Manager to the Offer to make the payment of Consideration through Electronic Clearance Service (ECS) of the Reserve Bank of India based on the Bank Account Details provided below and a photo copy of cheque is enclosed.

Savings/Current/(Others; please specify) : \_\_\_\_\_

Name of the Bank Branch: \_\_\_\_\_

Account Number: \_\_\_\_\_ IFSC Code of Bank \_\_\_\_\_

The Permanent Account Number (PAN No.) allotted under Income Tax Act, 1961 is as below:

	1st Shareholder	2nd Shareholder	3rd Shareholder
<b>PAN / GIR No.</b>			

Yours faithfully,

Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
<b>First/Sole Shareholder</b>		
<b>Joint Holder 1</b>		
<b>Joint Holder 2</b>		

**INSTRUCTIONS:**

1. This Offer will open on May 7, 2018 and close on May 18, 2018.
2. This Form of Acceptance has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Form of Acceptance.
3. Eligible Persons who wish to tender their Equity Shares in response to this Open Offer should submit the following documents to the selling member, who in turn would deliver the said documents along with the Transaction Registration Slip (TRS) to the RTA:
  - a. The relevant Form of Acceptance duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
  - b. Original share certificates.
  - c. Copy of the Permanent Account Number (PAN) Card.
  - d. Transfer deed (Form SH-4) duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
  - e. A self-attested copy of address proof consisting of any one of the following documents i.e., valid Aadhaar Card, Voter Identity Card, Passport or driving license.
4. Eligible Persons should also provide all relevant documents in addition to above documents which may include (but not limited to):
  - a. Duly attested Power of Attorney if any person other than the Eligible Persons has signed the relevant Form of Acceptance.
  - b. Notarized copy of death certificate / succession certificate / probated/Will, as applicable in case any Eligible Person has deceased.
  - c. Necessary corporate authorizations, such as Board Resolution / Specimen Signature etc., in case of Companies.
5. All documents / remittances sent by or to Eligible Persons will be at their own risk and the Eligible Persons are advised to adequately safeguard their interests in this regard.
6. All documents as mentioned above shall be enclosed with the valid Form of Acceptance otherwise the shares will be liable for rejection. The Shares shall be liable for rejection on the following grounds amongst others:
  - a. If share certificates of any other company are enclosed with the Form of Acceptance instead of the share certificate of the Company;
  - b. Non-submission of Notarized copy of death certificate / succession certificate / probated/Will, as applicable in case any Eligible Person has deceased.
  - c. If the Eligible Person(s) bid the shares but the Registrar does not receive the share certificate; or
  - d. In case the signature in the Form of Acceptance and Form SH-4 doesn't match as per the specimen signature recorded with the Target Company / Registrar.

**Acknowledgement Slip  
SHARES IN PHYSICAL FORM**

**Open Offer to the Public Shareholders of Kemistar Corporation Limited (the 'Target Company') by Mr. Ketankumar P. Patel ("Acquirer 1") and Mr. Parshottambhai M. Patel ("Acquirer 2") along with Mrs. Shantaben P. Patel ("PAC 1"), Mr. Dipakkumar P. Patel ("PAC 2"), Mrs. Hiralben D. Patel, ("PAC 3"), Patel Parshottamdas M HUF ("PAC 4"), Patel Dipakkumar Parashottmdas HUF ("PAC 5") under SEBI (SAST) Regulations, 2011.**

Received from Mr./ Ms. ....

Ledger Folio No..... Number of Share certificate enclosed..... under the Letter of Offer dated April 21, 2018.

FOA, Transfer deeds and Original Share Certificates as detailed hereunder:

Sr. No.	Share Certificate No.	Distinctive No.(s)		No.(s) of Equity Shares
		From	To	
1.				
2.				
3.				
4.				
5.				
<b>Total No. of Equity Shares</b>				

Stamp of Registrar to the Offer:		Signature of the Official:		Date of Receipt:	
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**Note: All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:**

**C/o Purva Sharegistry (India) Pvt. Ltd**

9-Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hosp., Lower Parel (E), Mumbai, Maharashtra,400011;

**Tel. No.** 022 - 23018261 / 23016761, **Fax:** +022 - 2301251791,

**E-mail Id:** [busicomp@vsnl.com](mailto:busicomp@vsnl.com) **Website:** [www.purvashare.com](http://www.purvashare.com)

**SEBI Regn. No.:** INR000001112,

**CIN:** U67120MH1993PTC074079

**Contact Person:** Ms. Deepali Dhuri,

Business Hours (Except Public Holidays): Monday to Friday: 9:30 a.m. to 5:30 p.m. and on Saturday: 9:30 a.m. to 1:30 p.m.