

**DRAFT LETTER OF OFFER**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Letter of Offer is sent to you as a shareholder(s) of MATRU-SMRITI TRADERS LIMITED. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your Equity Shares of Matru-Smriti Traders Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was affected.

**OPEN OFFER BY**

SHREEJI CORPORATE SOLUTIONS AND TRADE PRIVATE LIMITED  
B-207, Patel Shopping Centre, Chandavarkar Road, Borivali (West), Mumbai-400 092;  
Hereinafter referred as the “Acquirer”

**TO THE SHAREHOLDERS OF MATRU-SMRITI TRADERS LIMITED (Hereinafter referred as “MSTL” or the “Target Company” or “TC”)**



Marshall Building, 2<sup>nd</sup> Floor, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai - 400038, Maharashtra, India,  
Tel no.: 022-65047520 and Fax no.: 022-66390257

to acquire up to 141,368 equity shares of Rs. 10 each fully paid up at an Offer Price of Rs. 15/- (Rupees Fifteen Only) payable in cash per fully paid up equity share (“Offer Price”) representing 26% of the total issued, subscribed and paid up equity share capital and voting rights of the Target Company

**ATTENTION:**

1. The Offer is being made by the Acquirer pursuant to Regulations 3(1) & 4 and all other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (hereinafter referred to as “SEBI (SAST) REGULATIONS, 2011” or “Regulations”) for the purpose of substantial acquisition of shares & change in control and the management of the Target Company consequent to the proposed acquisition of entire holding of the existing promoters by the Acquirer.
2. The Offer is not a conditional Offer subject to any minimum level of acceptance.
3. As on the date of this Letter of Offer, this offer is not subject to any statutory and regulatory approvals, however, it will be subject to all statutory approvals that may become applicable at a later date.
4. Upward revision, if any, of the Offer Price would be informed by way of a Corrigendum in the same newspapers where the Detailed Public Statement (“DPS”) has appeared. The Acquirer is permitted to revise the Offer Price upwards only at any time prior to the commencement of the last three working days of opening of the Tendering Period i.e. October 13, 2014. The same price will be payable by the Acquirer for all the shares tendered anytime during the Tendering Period.
5. **If there is competing offer:**
  - **The public offers under all the subsisting bids shall open and close on the same date.**
  - **As per the information available with the Acquirer/Target Company, no competitive bid has been announced as of the date of this draft Letter of Offer.**
6. A copy of Public Announcement, Detailed Public Statement, Letter of Offer, Form of Acceptance–cum–Acknowledgement are also available on SEBI’s web-site: [www.sebi.gov.in](http://www.sebi.gov.in)

All future correspondence, if any, should be addressed to the Manager/Registrar to the Offer at the following addresses:

<b>Manager to the Offer</b>	<b>Registrar to the Offer</b>
 <b>Ladderup</b> <i>Engineering Growth</i> <b>Ladderup Corporate Advisory Private Limited</b> 102-A, 1 <sup>st</sup> Floor, Hallmark Business Plaza, Gurunanak Hospital Road, Bandra(E), Mumbai - 400051 Tel. No.: 022 40336363, Fax No.:- 022 40336364 E mail: <a href="mailto:ashish.gada@ladderup.com">ashish.gada@ladderup.com</a> <b>Contact Person: Mr. Ashish Gada</b> SEBI Registration No.: INM000011765	 <b>Purva Share Registry (India) Private Limited</b> 9, Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (E), Mumbai - 400011 Tel No. 022 23016761, Fax No. 022 23012517 E mail: <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a> <b>Contact Person : Mr. V.B. Shah</b> SEBI Registration No.: INR000002102
<b>OFFER OPENS ON: OCTOBER 17, 2014 (FRIDAY)</b>	<b>OFFER CLOSES ON: NOVEMBER 3, 2014 (MONDAY)</b>

## SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Activity	Date	Day
Date of Public Announcement	August 21, 2014	Thursday
Date of Detailed Public Statement	August 28, 2014	Thursday
Date by which Draft Letter of Offer will be filed with the SEBI	September 5, 2014	Friday
Last date for a Competitive Bid, if any	September 19, 2014	Friday
Date of receipt of the comments on Draft Letter of Offer from SEBI	September 26, 2014	Friday
Identified Date*	September 30, 2014	Tuesday
Date by which Letter of Offer will be dispatched to the Shareholders	October 10, 2014	Friday
Last date for Revising the Offer Price / Number of Equity Shares	October 13, 2014	Monday
Date of announcement containing reasoned recommendation by committee of independent directors of MSTL.	October 13, 2014	Monday
Date of Advertisement announcing the schedule of activities for the open offer, status of statutory & other approvals, status of unfulfilled conditions (if any),	October 16, 2014	Thursday
Date of opening of the Tendering Period	October 17, 2014	Friday
Date of closing of the Tendering Period	November 3, 2014	Monday
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and/or share certificate for the rejected shares will be dispatched	November 19, 2014	Wednesday

\* *“Identified Date” is only for the purpose of determining the Shareholders as on such date to whom the letter of offer would be mailed. It is clarified that all owners (registered or unregistered) of the Shares of the Target Company (except the Acquirer and Sellers who own the shares of the MSTL) are eligible to participate in the Offer any time before the closing of the tendering period.*

### RISK FACTORS

#### Risk Factors relating to the Transaction and the Proposed Offer

1. The Share Purchase Agreement (SPA) dated August 21, 2014, entered between the Acquirer and the Sellers, contains a clause to the effect that the SPA is subject to the provisions of the Regulations and in case of non-compliance of any provisions of the Regulations by the Acquirer or the Sellers, the SPA shall not be acted upon by the parties.
2. In case the shares tendered in the Offer by the shareholders are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be on a proportionate basis in consultation with the Manager to the Offer.
3. In the event of any litigation leading to stay on the Offer or SEBI instructing that the Offer should not be proceeded with, thus the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Letter of Offer.
4. If the Acquirer is unable to make the payment to the shareholders who have accepted the Offer within 10 working days from the date of closure of the tendering period, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals, that may become applicable prior to completion of the Offer, was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 10 working days, as may be specified by SEBI from time to time. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.
5. The transaction is subject to completion risks as would be applicable to similar transactions.

#### Probable risks involved in associating with the Acquirer

1. The Acquirer expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
2. Post this Offer, (assuming full acceptance) the Acquirer will have significant equity ownership and control over the Target Company pursuant to Regulations 3(1) & 4 of Regulations.
3. The Acquirer also makes no assurances with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
4. The Acquirer has no prior experience in business areas of the Target Company.

5. The Acquirer makes no assurance with respect to the continuation of the past trend in the financial performance of the Target Company. Association of the Acquirer with MSTL /Substantial Acquisition of Shares & taking control of MSTL by the Acquirer does not warrant any assurance with respect to the future financial performance of MSTL.
6. The Acquirer and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Draft Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirer and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
7. The indicative risk factors set forth above are in relation to the Offer and not in relation to the present or future business or operations of MSTL 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 or in associating with the Acquirer. The Shareholders of MSTL are advised to consult their stock broker or investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

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## 1. DEFINITIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirer or SCSTPL	Shreeji Corporate Solutions and Trade Private Limited
2.	Book Value per share	Net worth/Number of equity shares issued
3.	BSE	BSE Limited
4.	DLOO	Draft Letter of Offer
5.	DPS	Detailed Public Statement appeared in the newspapers on August 28, 2014
6.	EPS	Profit after tax/Number of equity shares issued
7.	Form of Acceptance/FOA	Form of Acceptance-cum-Acknowledgement
8.	Identified Date	September 30, 2014
9.	LOO or Letter of Offer or LOF	Offer Document
10.	Manager to the Offer or Merchant Banker	Ladderup Corporate Advisory Private Limited
11.	N.A.	Not Applicable
12.	Negotiated Price	Rs. 15/- (Rupees Fifteen only) per fully paid-up equity share of face value of Rs.10/- each.
13.	Net worth	Equity Share capital plus Reserve & Surplus excluding Revaluation Reserve minus Debit Balance of P&L or Misc. Exp. not written off.
14.	Offer or The Offer	To acquire 1,41,368 equity shares of Rs. 10/- each at an Offer Price of Rs. 15/- (Rupees Fifteen Only) per fully paid up equity share of Rs 10/- each payable in cash, representing 26% of the total paid up equity share capital/ voting rights
15.	Offer Period	Period from date of SPA till payment of consideration to the Shareholders who have tendered the shares in the open offer.
16.	Offer Price	Rs. 15/- (Rupees Fifteen Only) per share
17.	PAT	Profit After Tax
18.	Persons eligible to participate in the Offer	Registered shareholders of Matru-Smriti Traders Limited and unregistered shareholders who own the equity shares of Matru-Smriti Traders Limited any time prior to the closure of tendering period other than the Parties to the SPA i.e. the Acquirer & the Sellers.
19.	Persons not eligible to participate in the Offer	Parties to the Share Purchase Agreement
20.	Public Announcement or "PA"	Public Announcement submitted to BSE as well as to SEBI and the Target Company on August 21, 2014.
21.	RBI	Reserve Bank of India
22.	Registrar or Registrar to the Offer	Purva Share Registry (India) Private Limited
23.	Return on Net Worth	(Profit After Tax/Net Worth)*100
24.	SEBI	Securities and Exchange Board of India
25.	SEBI (SAST) Regulations, 2011 or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
26.	SEBI (SAST) Regulations 1997 or Old Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
27.	SEBI Act	Securities and Exchange Board of India Act, 1992
28.	Sellers or Promoters	Reshamsingh Pyarasingh Saini, Gurmitkaur Reshamsingh Saini, Sarabjitsingh Reshamsingh Saini
29.	SPA	Share Purchase Agreement
30.	Stock Exchange	BSE Limited
31.	Target Company or MSTL or TC	Matru-Smriti Traders Limited
32.	Tendering Period	Period within which shareholders may tender their shares in acceptance of an open offer

## 2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF MATRU-SMRITI TRADERS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES/CONTROL ARE 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 ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, LADDERUP CORPORATE ADVISORY PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 5, 2014 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 ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

### 3. DETAILS OF THE OFFER

#### 3.1. Background of the Offer

- 3.1.1. This Open Offer is being made by the Acquirer to the Equity Shareholders of Matru-Smriti Traders Limited, a company incorporated and duly registered under the Companies Act, 1956, on February 2, 1985 and having its registered office at Marshall Building, 2<sup>nd</sup> Floor, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400038; Tel no.: 022-65047520 and Fax no.: 022-66390257 pursuant to the Regulation 3(1) & 4 and in compliance with the SEBI (SAST) Regulations, 2011.
- 3.1.2. The Acquirer hereby makes this Offer to the equity shareholders of the Target Company (other than the parties to the Share Purchase Agreement) to acquire up to 1,41,368 equity shares (“Shares”) of the Target Company of face value of Rs.10 each, representing in aggregate 26% of the paid up equity share capital and voting capital of the Target Company at a price of Rs. 15/- (Rupees Fifteen Only) per fully paid up equity share, payable in cash subject to the terms and conditions mentioned in the PA, DPS and in this LOO that will be circulated to the shareholders in accordance with the SEBI (SAST) Regulations, 2011, whose names appear on the register of members of the Target Company or beneficiaries on the beneficiary records of the Depository Participant as on the Identified Date i.e. September 30, 2014.
- 3.1.3. Shreeji Corporate Solutions and Trade Private Limited is the only Acquirer in this open offer and there are no other Persons acting in concert (PACs’) with the Acquirer in respect of this Offer within the meaning of Regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011.
- 3.1.4. The Acquirer has entered into a Share Purchase Agreement (SPA) on August 21, 2014 with the Sellers of the Target Company to acquire 3,56,278 (hereinafter referred to as “Sale Shares”) fully paid up equity shares of Rs. 10/- each, representing 65.53% of the issued, subscribed, paid up and voting capital of the Target Company at a price of Rs. 15/- (Rupees Fifteen Only) per share aggregating to Rs. 53,44,170/- (Rupees Fifty Three Lacs Forty Four Thousand One Hundred and Seventy Only). The details of which are as follows:

Sellers			Acquirer		
Name of the Sellers	No. of Equity Shares	% w.r.t. to the total paid up capital	Name of the Acquirer	No. of Equity Shares	% w.r.t. to the total paid up capital
Reshamsingh Pyarasingh Saini	1,92,501	35.40%	Shreeji Corporate Solutions and Trade Private Limited	3,56,278	65.53%
Gurmitkaur Reshamsingh Saini	61,510	11.31%			
Sarabjitsingh Reshamsingh Saini	1,02,267	18.81%			
<b>Total</b>	<b>3,56,278</b>	<b>65.53%</b>	<b>Total</b>	<b>3,56,278</b>	<b>65.53%</b>

- 3.1.5. By the above proposed acquisition pursuant to SPA, the Acquirer will have management control of the Target Company, which resulted in triggering of SEBI (SAST) Regulations, 2011.
- 3.1.6. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- 3.1.7. The salient features of the SPA are as under:-
- The Acquirer to become the Promoter of the Target Company.
  - The Acquirer has the right to nominate a director on the board of the Target Company who shall be liable to retire by rotation as set forth in sub Regulations (1) of Regulation 24 of the SEBI (SAST) Regulations.
  - That the shares sold under the SPA are free from all charges, encumbrances or lien and are not subject to any lock-in period.
  - That the sellers hold entire Equity Shares in Physical form.
  - In the event, if the Acquirer fails to comply with the applicable provisions of the SEBI (SAST) Regulations relating to the Open Offer, the SPA shall stand terminated and shall be null and void.
- 3.1.8. There is no separate arrangement for the proposed change in control of the Target Company except for the terms mentioned in the SPA.
- 3.1.9. Apart from 3,56,278 (Three Lacs Fifty Six Thousand Two Hundred and Seventy Eight Only) fully paid up

equity shares which the Acquirer intends to purchase pursuant to SPA, the Acquirer does not hold any equity shares/ voting rights of MSTL and hence the provisions of Chapter V of SEBI (SAST) Regulations, 2011 & Chapter II of SEBI (SAST) Regulations, 1997 are not applicable.

- 3.1.10. As on date of this LOO, Reshamsingh Pyarasingh Saini, Gurmitkaur Reshamsingh Saini and Sarabjitsingh Reshamsingh Saini form part of the "Promoter and Promoter Group" of the Target Company as per the filings made by the Target Company to the Stock Exchange under the definition in SEBI (SAST) Regulations, 2011.
- 3.1.11. As on the date of this LOO, none of the directors of the Target Company represent the Acquirer.
- 3.1.12. The Acquirer, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of SEBI Act, 1992 or under any other Regulation under the SEBI Act, 1992.
- 3.1.13. There is no other consideration/compensation, in cash or kind, whether directly or indirectly, being given to the Sellers apart from the consideration as stated in Para 3.1.4 above.
- 3.1.14. As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, the Board of the Target Company is required to constitute a committee of Independent Directors who would provide its written reasoned recommendation on the Offer to the Equity Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspapers where the DPS of the Offer was published i.e. on October 13, 2014.

### **3.2. Details of the Proposed Offer**

- 3.2.1. The PA announcing the Open Offer, under Regulations 3(1) and 4, read with Regulation 13, 14 and 15 of SEBI (SAST) Regulations, 2011, was made on August 21, 2014 to SEBI and a copy thereof was also filed with BSE and the Target Company at its registered office.
- 3.2.2. The Acquirer has also made a Detailed Public Statement on August 28, 2014 in accordance with the Regulations 13(4) and 14(3) and pursuant to Regulation 3(1) and 4 of SEBI (SAST) Regulations, 2011, in the following newspapers:

<b>Publication</b>	<b>Language</b>	<b>Editions</b>
Business Standard	English & Hindi	All Editions
Navshakti	Marathi	Mumbai

**The Public Announcement and the Detailed Public Announcement is also available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in)**

- 3.2.3. Pursuant to the signing of SPA, the Acquirer is making this Open Offer under Regulations 3(1) & 4 of the SEBI (SAST) Regulations, 2011, to acquire 1,41,368 equity shares of Rs.10/- each representing 26% of the total issued, subscribed, paid up and voting capital of the Target Company at a price of Rs. 15/- (Rupees Fifteen Only) per fully paid up equity share ("Offer Price") payable in Cash subject to terms and conditions mentioned hereinafter.
- 3.2.4. This Offer is being made to all the shareholders of the Target Company (other than the parties to the SPA) is in accordance with Regulation 7(6) of the Regulations and is not conditional upon any minimum level of acceptance. The Acquirer will acquire all the shares of the Target Company that are validly tendered as per the terms of the Offer up to a maximum of 1,41,368 equity shares.
- 3.2.5. The Offer is not a competitive bid. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- 3.2.6. The Offer is subject to the terms and conditions set out herein and in the Final Letter of Offer that will be sent to the shareholders of the Target Company.
- 3.2.7. This offer is not subject to any statutory and regulatory approvals; however it will be subject to statutory approvals that may become applicable at a later date (as mentioned in Para No. 7.4 of this DLOO).
- 3.2.8. Also the Acquirer has not acquired any shares of the Target Company after the date of Public

Announcement till the date of this LOO.

- 3.2.9. As on the date of this DLOO, there are no partly paid up shares and no outstanding convertible instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date in the Target Company.
- 3.2.10. There are no Persons Acting in Concert ("PAC's") within the meaning of Regulation 2(1)(q)(1) in relation to this Open Offer.
- 3.2.11. As on the date of PA, DPS & DLOO in accordance, the Manager to the Open Offer i.e. Ladderup Corporate Advisory Private Limited does not hold any shares in the Target Company in accordance with Regulation 27 (6) of Regulations. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as the Manager to the Open Offer till the expiry of 15 days from the date of closure of the Open Offer.
- 3.2.12. Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of shares through SPA, the Acquirer will hold 4,97,646 shares constituting 91.53 % of the total issued, subscribed and paid up equity share capital of the Target Company. It would result in the Public shareholding in the Target Company falling below the minimum level required as per the Securities Contracts (Regulations) Rules, 1957 as amended and the Listing Agreement. The Acquirer undertakes that if the shareholding is reduced to below such minimum level, then it will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement and all other applicable laws, within the time period mentioned therein. Further, the Acquirer 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 the SEBI (SAST) Regulations, 2011.

### **3.3. Object of the Acquisition/ the Offer**

- 3.3.1. The Offer is being made pursuant to Share Purchase Agreement between the Acquirer and the Sellers as described in Para 3.1.4 above whereby the Acquirer intends to acquire 65.53% of the issued, subscribed and paid up share capital from the Seller.
- 3.3.2. The Open Offer is being made to all the public shareholders of MSTL for acquiring 26% of the total issued, subscribed, paid up and voting capital of the Target Company in accordance with Regulations 3(1) & 4 of the SEBI (SAST) Regulations, 2011. After the completion of the proposed Open Offer (assuming full acceptances) the Acquirer will achieve substantial acquisition of equity shares and voting rights accompanied with effective management control over the Target Company.
- 3.3.3. The prime object of the Offer is to acquire substantial stake & change the control and management of the Target Company. Shreeji Corporate Solutions and Trade Private Limited is the only Acquirer for the proposed Open Offer. The Acquirer is yet to finalize on how it would implement the future plans. It also aims to expand the business horizon under corporate status for diversifying into different activities subject to approval of the shareholders. The Acquirer reserves the right to modify the present structure of the business in a manner which is useful to the larger interest of the shareholders. Any change in the structure that may be affected will be in accordance with the laws applicable.
- 3.3.4. To the extent required and to optimize the value to all the shareholders, the Acquirer may subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, amalgamation, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Notwithstanding, the Board of Directors of the Target Company will take appropriate decisions in these matters in line with the requirements of the business and opportunities from time to time.
- 3.3.5. As on the date of this LOO, the Acquirer does not have any intention to sell, dispose off or otherwise encumber any significant assets of MSTL except in the ordinary course of business of MSTL and its future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the prior approval of the shareholders at a General Body Meeting of MSTL in accordance with regulation 25(2).

#### 4. BACKGROUND OF THE ACQUIRER

- 4.1. Shreeji Corporate Solutions and Trade Private Limited, incorporated on July 23, 2014 under the Companies Act, 2013 with the Registrar of Companies, Mumbai, having its registered office at B-207, Patel Shopping Centre, Chandavarkar Road, Borivali (West), Mumbai-400092 is the only Acquirer in this Open Offer in terms of Regulation 2(1)(a) of the SEBI (SAST) Regulations, 2011 as amended
- 4.2. There are no PAC's within the meaning of Regulation 2(1)(q)(1) in relation to this Open Offer.
- 4.3. There is currently no business activity in the Acquirer.
- 4.4. The main object of Acquirer as per Memorandum of Association is as follows:  
 "To carry on the activity and to establish, develop, maintain, conduct, provide, implement, undertake, manage syndicates and make available services of every kind as consultant, advisors, distributors, Intermediaries, brokers, sub-brokers, franchisee or executors in the fields of including but not restricted to Commercial, Statistical, Financial Accountancy, Computer and systems, Technical services, Management, BPO, KPO, Foreign Exchange, EXIM, Direct and Indirect Taxation, Corporate Law and secretarial, Project Planning, Project reports and appraisals, Public and private Issues, Exchange listing, De-listing, compliances, private equity, QIP, Debts, Planning, Restructuring, Valuation of business, warehousing, real estate, Loan products provided by banks and NBFC, Products of life and general insurance companies, Software accounting, taxation, legal shares, Commodities, securities, mutual fund, derivatives, debt market and to Trade in shares, securities, derivatives and commodities both in India or overseas including export and import of commodities"
- 4.5. The Promoters of SCSTPL are Mr. Ashish A. Shah and Ms. Mohini B. Patel. The Directors of SCSTPL are Mr. Ashish A. Shah and Mr. Jyotindra O. Parikh.
- 4.6. The Authorized Share capital of SCSTPL is Rs. 1,00,00,000 (Rupees One Crore only) comprising 10,00,000 (Ten Lacs only) equity shares of Rs. 10/- each. The issued, subscribed and paid up share capital of SCSTPL is Rs. 80,00,000 (Rupees Eighty Lacs only) comprising 8,00,000 (Eight Lac only) fully paid up equity shares of Rs. 10/- each.
- 4.7. Mr. Rakesh Chaturvedi (Membership No. 102075), Partner of Paresh Rakesh & Associates having registered office at 103, Namrata CHS, Bldg. No. 15, Shastri Nagar, Link Road, Goregaon (W), Mumbai – 400104, Tel.: (022) 28774078, Email: mail@paeshrakesh.in has certified vide certificate dated August 25, 2014 that the Networth of Shreeji Corporate Solutions and Trade Private Limited is Rs. 77,62,637/- (Rupees Seventy Seven Lacs Sixty Two Thousand Six Hundred and Thirty Seven only) as on August 25, 2014
- 4.8. The Shareholding pattern of SCSTPL as on the date of the Public Announcement is as under:

Sr. No.	Category	No. of Shares held	% of Shareholding
1	<u>Promoters:</u>		
	a) Ashish A. Shah	7,20,000	90.0%
	b) Mohini B. Patel	80,000	10.0%
2	Public	Nil	Nil
<b>Total Paid up Share Capital</b>		<b>8,00,000</b>	<b>100.0%</b>

- 4.9. The composition of the Board of Directors of SCSTPL as on the date of this Draft Letter of Offer is as follows:

Name	Designation	Qualification	Experience	Field of Experience	Residential Address	Date of Appointment	DIN
Ashish A. Shah	Director	B.Com	10 Years	Tax and Finance Consultant	11, Nandgam Society, Nr. Vrundavan Bus Stop, Waghodia Road, Vadodara, 390019	23/07/2014	06701501
Jyotindra O. Parikh	Director	CA, LLB, B.Com	25 Years	Chartered Accountancy Practice	69-B, Rajayalaxmi Soc., Old Padra Road, Vadodara, 390007	23/07/2014	06875567

- 4.10. The Acquirer is not forming a part of the present Promoter Group of the Target Company.
- 4.11. As on date of this LOO, the Acquirer does not hold any shares of the Target Company except as mentioned above in Para 3.1.4 and hence the provisions of Chapter V of SEBI (SAST) Regulations, 2011 are not applicable.
- 4.12. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or any other Regulations made under the SEBI Act.

## 5. BACKGROUND OF THE TARGET COMPANY

5.1. The Target Company was incorporated on February 2, 1985 under the provisions of the Companies Act, 1956 as Public Limited Company under name & style of “Matru-Smriti Traders Limited”. The registered Office of the Target Company is Marshall Building, 2<sup>nd</sup> Floor, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai - 400038, Maharashtra, India, Tel no.: 022-65047520 and Fax no.: 022-66390257. The Corporate Identification Number (CIN) of the Target Company is L74900MH1985PLC035243.

5.2. The Main Object clause of MSTL as per Memorandum of Association is as under:

- To carry on the business of human resources consultants and advisors, representatives, recruitment agents of managerial, technical, clerical personnel and to provide manpower – skilled, semiskilled and unskilled in contractual basis and also provide process outsourcing, employee engagement, exit interview, reference interviewing, background checks, training, placement services carry on in India or elsewhere, either alone or jointly with one or more persons, firms, companies whether based in India or abroad
- To carry on the business as agents, brokers, factors, commission agents, buying and selling agents, distributors, indenting agents, forwarding agents, sub-agents and estate agents

5.3. As on the date of PA, DPS and LOO, Promoters holding in the Target Company is as follows:

Sr. No.	Name of the Promoter	No. of Shares	% w.r.t. Total Paid Up Capital
1	Reshamsingh Pyarasingh Saini	1,92,501	35.40
2	Gurmitkaur Reshamsingh Saini	61,510	11.31
3	Sarabjitsingh Reshamsingh Saini	1,02,267	18.81
	<b>Total</b>	<b>3,56,278</b>	<b>65.53</b>

5.4. As on the date of this Letter of Offer, the authorized share capital of the Target Company is Rs. 1,00,00,000 (Rupees One Crore Only) divided into 10,00,000 (Ten Lacs Only) equity shares of Rs 10/- (Rupees Ten Only) each. The issued, subscribed & paid up capital of the Company is Rs. 54,37,220 (Rupees Fifty Four Lacs Thirty Seven Thousand Two Hundred and Twenty Only) divided into 5,43,722 (Five Lacs Forty three Thousand Seven Hundred and Twenty Two only) equity shares of Rs 10/- (Rupees Ten Only) each fully paid up.

5.5. The entire issued, subscribed, paid up and voting equity capital of the Target Company is listed on BSE. The scrip code on BSE is 512165 & Scrip ID is MATRUTR . Based on the information available on BSE, the Equity Shares of the Target Company are not frequently traded on the exchange (within the meaning of definition of ‘frequently traded shares’ under Regulation 2(1)(j) of the Regulations). As on this date, the shares of the Target Company are not suspended from trading on the BSE.

5.6. The trading in the shares of the Target Company was suspended by BSE on September 21, 2001 for non-compliance of the following Clauses of listing agreement:

Non-Compliance	Remarks and Period
Clause 15/16	Not submitted from 2007 – 2012
Annual Report	Not submitted hard copies for 2007, 2008, 2009 and 2011
Clause 35	Not submitted from March 2007 – September 2012
Clause 40B	Not submitted 6(2), 6(4) for 1997 and 8(3) from 1998 – 2011
Clause 41	Not submitted from March 2007 – September 2012
Clause 47	Not submitted details of Compliance Officer/RTA/MOU and half yearly certificates from September 2007 – September 2012
Clause 49	Not submitted from March 2007 – September 2012
Secretarial Audit	Not submitted from September 2003 – September 2012

5.7. The suspension was revoked with effect from June 25, 2013 vide BSE’s notice dated June 19, 2013 on compliance with the Clauses of the listing agreement

5.8. As on the date of this LOO, there are no partly paid up shares and no outstanding convertible instruments

in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date in the Target Company

5.9. As on the date of this Letter of Offer, the share capital structure of the Target Company is as given under:

<b>Paid-up Equity Shares</b>	<b>No. of Shares/Voting Rights</b>	<b>% of Shares/Voting Rights</b>
Fully Paid-up Equity shares	5,43,722	100%
Partly Paid-up Equity shares	NIL	N.A.
Total paid-up Equity shares	5,43,722	100%
Total Voting Rights in the Company	5,43,722	100%

5.10. The current capital structure of the Target Company since inception is as under:

5.10.1. ALLOTMENT SINCE INCORPORATION

The details of the build up of the Capital Structure of the Company are as follows:

Date of Allotment	No of shares issued		Cumulative Paid-Up Capital (Rs.)	Mode of Allotment	Identity of Allottees	Status of Compliance
	No.	%				
02.02.1985	43	0.01	430	Initial Subscription	Subscribers	Complied
18.07.1985	4,49,957	82.75	45,00,000	IPO (Cash)	Promoters and Public	Complied
08.05.2013	93,722	17.24	54,37,220	Bonus Issue to Public Shareholders	Public	Complied
Total	<b>5,43,722</b>	<b>100.00</b>				

5.10.2. DETAILS OF INCREASE IN AUTHORISED SHARE CAPITAL SINCE INCORPORATION OF THE COMPANY

<b>Date of Increase in Authorised Share Capital</b>	<b>From (Amt in Rs.)</b>	<b>To (Amt. in Rs.)</b>	<b>Actual Increase</b>	<b>Number of shares created</b>
On Incorporation	0	50,00,000	50,00,000	5,00,000
24.02.1992	50,00,000	1,00,00,000	50,00,000	5,00,000
<b>Total Authorized Capital</b>				<b>1,00,00,000</b>

5.11. The composition of the Board of Directors of MSTL as on the date of DLOO is as follows:-

<b>Director Name</b>	<b>Qualification</b>	<b>Experience</b>	<b>Present residential address</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>DIN</b>
Alok Shrikrishan Bairagra	Chartered Accountant	15 Years	B-203, Aster Tower, Film City Road, Malad (E), Mumbai – 400097	Independent Director	23.11.2012	00035568
Santoshkumar Kamleshchandra Pandey	Company Secretary	20 Years	Bungalow No. 14, Ground Floor, Rajvilas Haveli CHS, G.B. Road, Manpada, Chitalsar, Thane (W) – 400610	Independent Director	12.02.2013	00118217
Sarabjitsingh Reshamsingh Saini	B.Com	20 Years	565, Gobind Dham, Golf View Park, Chembur, Mumbai – 400071	Executive Director	01.10.2009	00267083

5.12. There has been no merger / de-merger, spin-off during the past three years in MSTL.

5.13. The Brief Financials of MSTL are as under:-

(Figures in Rupees)

Profit & Loss Statement	Year ended	Year ended	Year ended
	31.03.2012	31.03.2013	31.03.2014
	(Audited)	(Audited)	(Audited)
Income from operations	72,333	27,04,565	0
Other Income	9,05,256	3,62,868	4,65,320
<b>Total Income</b>	<b>9,77,589</b>	<b>30,67,433</b>	<b>4,65,320</b>
Total Expenditure	23,47,790	33,57,534	3,68,929
Profit/ Loss before Depreciation, Interest and Tax	(13,70,201)	(2,90,101)	96,390
Depreciation	2,98,372	2,19,722	0
Profit/ Loss before Interest and Tax	(16,68,573)	(5,09,823)	96,390
Interest	0	0	0
Profit (Loss) before Tax	(16,68,573)	(5,09,823)	96,390
Provision for tax	0	0	18,500
<b>Profit (Loss) after Tax (PAT)</b>	<b>(16,68,573)</b>	<b>(5,09,823)</b>	<b>77,890</b>

(Figures in Rupees)

Balance Sheet Statement	Year ended	Year ended	Year ended
	31.03.2012	31.03.2013	31.03.2014
	(Audited)	(Audited)	(Audited)
Sources of Funds			
Paid up Equity Share Capital	45,00,000	45,00,000	54,37,220
Reserves and Surplus(excluding Revaluation Reserve, if any)	37,87,441	32,23,964	23,64,636
<b>Net worth</b>	<b>82,87,441</b>	<b>77,23,964</b>	<b>78,01,856</b>
Paid up Preference Share Capital	30,00,000	0	0
Loans Funds	0	11,00,000	0
Deferred Tax Liability	0	0	0
<b>Total</b>	<b>0</b>	<b>11,00,000</b>	<b>0</b>
<b>Total Source of Funds</b>	<b>1,12,87,441</b>	<b>88,23,964</b>	<b>78,01,856</b>
Application of Funds			
Net Fixed Assets	10,13,116	1,77,678	0
Investments	29,38,297	0	0
Net Current Assets	73,36,029	86,46,286	78,01,856
<b>Total Application of Funds</b>	<b>1,12,87,441</b>	<b>88,23,964</b>	<b>78,01,856</b>

(Figures in Rupees)

Other Financial Data	Year ended	Year ended	Year ended
	31.03.2012	31.03.2013	31.03.2014
	(Audited)	(Audited)	(Audited)
Total Income	9,77,589	30,67,433	4,65,320
Profit/ (Loss) After Tax	(16,68,573)	(5,09,823)	77,890
Equity Share Capital	45,00,000	45,00,000	54,37,220
Earnings Per Share (Rupees)	(3.71)	(1.13)	0.14
Net worth	82,87,441	77,23,964	78,01,856
Return on Net worth (%)	(20.13)%	(6.60)%	1.00%
Book Value Per Share (Rupees)	18.42	17.16	14.35

(Audited Results as certified by Mr. Hasmukh Dedhia (Membership No. 30839), Proprietor at H K Dedhia & Co., Chartered Accountants, practicing at 62, 2<sup>nd</sup> Floor, Vijay Nagar, Dadar (W), Mumbai - 400028, Tel.: 022-24300807, vide certificate dated August 21, 2014)

Reason for the fall/rise in the total income and profit after tax:

Financial Year 2011-12 to 2012-2013

The Total Income increased in the year 2012-13 due to increase in income from Manpower recruitment services and Loss After Tax has decreased in the year 2012-13 as compared to 2011-12 due to increase in the total income.

Financial Year 2012-2013 to 2013-2014

There was no Operational Income in the year 2013-14 and the total expenses in the said year also decreased as compared to 2012-13. Due to the same, there is a Profit after Tax in 2013-14 as compared to the negative Profit after Tax in the 2012-13

5.14. Significant Accounting Policies followed by the Company as per Annual Report 2013-2014:

- 5.14.1. Accounting Convention: The Financial statements have been prepared on the accrual basis, under the historical cost convention in accordance with generally accepted accounting principles in India, the accounting standards issued by The Institute of Chartered Accountants of India and the requirements of the Companies Act, 1956.
- 5.14.2. Fixed Assets: The Company has disposed off the fixed asset during the year.
- 5.14.3. Depreciation: Since the Company has disposed off the fixed asset, there is no depreciation.
- 5.14.4. Basic Earnings per Share: Basic Earnings per Share is determined by dividing net income by the weighted average number of shares outstanding during the year.
- 5.15. Pre and Post-Offer shareholding pattern of the Target Company after the completion of the Offer Formalities (assuming full acceptances) is as per the following table:

Shareholders' Category	Shareholding & voting rights prior to the agreement /acquisition & offer (A)		Shares / voting rights agreed to be acquired which triggered off the Regulations (B)		Shares/ voting rights to be acquired in open offer (assuming full acceptances) (C)		Shareholding / voting rights after the acquisition and offer i.e. (A) + (B) + (C) = (D)	
	No	%	No	%	No	%	No	%
<b>(1) Promoter Group</b>								
a) Parties to Agreement (Sellers and outgoing Promoters)	3,56,278	65.53	(3,56,278)	(65.53)	-	-	-	-
b) Promoters other than (a) above	-	-	-	-	-	-	-	-
<b>Total 1 (a+b)</b>	<b>3,56,278</b>	<b>65.53</b>	<b>(3,56,278)</b>	<b>(65.53)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Acquirer</b>								
Shreeji Corporate Solutions and Trade Private Limited			3,56,278	65.53	1,41,368	26.00	4,97,646	91.53
<b>Total 2</b>	<b>-</b>	<b>-</b>	<b>3,56,278</b>	<b>65.53</b>	<b>1,41,368</b>	<b>26.00</b>	<b>4,97,646</b>	<b>91.53</b>
<b>(3) Parties to agreement other than (1) (a) &amp; (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total 3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(4) Public (other than parties to agreement, Acquirer) **</b>								

a) FIs/MFs/FIIs/Banks									
b) Others	1,87,444	34.47	1,87,444	34.47	(1,41,368)	(26.00)	46,076	8.47	
<b>Total (4) (a+b)</b>	<b>1,87,444</b>	<b>34.47</b>	<b>1,87,444</b>	<b>34.47</b>	<b>(1,41,368)</b>	<b>(26.00)</b>	<b>46,076</b>	<b>8.47</b>	
<b>Grand Total (1+2+3+4)</b>	<b>5,43,722</b>	<b>100.00</b>	<b>1,87,444</b>	<b>34.47</b>	-	-	<b>543,722</b>	<b>100.00</b>	

- 5.16. Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of shares through SPA, the Acquirer will hold 4,97,646 shares constituting 91.53 % of the total issued, subscribed and paid up equity share capital of the Target Company. It would result in the Public shareholding in the Target Company falling below the minimum level required as per the Securities Contracts (Regulations) Rules, 1957 as amended and the Listing Agreement. The Acquirer undertakes that if the shareholding is reduced to below such minimum level, then it will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Listing Agreement and all other applicable laws, within the time period mentioned therein. Further, the Acquirer 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 the SEBI (SAST) Regulations, 2011.
- 5.17. As per the Share Holding Pattern filed with BSE as on June 30, 2014 & available information, the number of shareholders in MSTL in public category as on date is 164 (One Hundred and Sixty Four Only).
- 5.18. The Target Company has been complying with the relevant provisions of the Listing Agreement except for clause 49 of the said Agreement since they are not applicable to the Target Company as its present paid up share capital is Rs. 54,37,220 (Rupees Fifty Four Lacs Thirty Seven Thousand Two Hundred and Twenty only). **As per Circular No SEBI/CFD/DIL/CG/1/2004/12/10** dated October 29, 2004, issued by SEBI, the provisions under Clause 49 of the Listing Agreement is applicable to the Target Company if the Paid up Capital is more than Rs. 300 Lacs.
- 5.19. There are no litigation matters pending by and against the Target Company as on date of the PA, DPS and this LOO.
- 5.20. Details of Compliance Officer  
Mr. Santoshkumar Kamleshchandra Pandey  
**Address:** Bungalow No. 14, Ground Floor,  
Rajvilas Haveli CHS, G.B. Road,  
Manpada, Chitalsar,  
Thane (W) – 400610  
Tel No: - 022 65047520  
**Source:** All the data about Target Company is provided/certified by Matru-Smriti Traders Limited

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of Offer Price

6.1.1. The shares of the Target Company are listed on BSE only. The scrip code on BSE is 512165 and Scrip ID is MATRUTR.

6.1.2. The annualized trading turnover of the equity shares of the Target Company during the twelve calendar months preceding the month in which the PA was made (August 2013 – July 2014) on BSE is detailed below:

Name of Stock Exchange	Total number of shares traded during the preceding 12 calendar months prior to month of PA	Total number of Equity Shares listed	Annualized trading turnover (as a % of total number of listed shares)
BSE Limited	100	5,43,722	0.02%

(Source: www.bseindia.com)

Based on the above information, the shares of the Target Company are infrequently traded on BSE within the meaning of Regulation 2(1) (j) of the SEBI (SAST) Regulations, 2011.

6.1.3. The Offer Price of Rs. 15/- (Rupees Fifteen Only) per share is justified in terms of Regulation 8(2)(e) and the same has been determined after considering the following facts:

a)	Highest negotiated price per share for acquisition under the agreement or SPA	Rs. 15	
b)	The volume-weighted average price paid or payable for acquisitions, whether by the Acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of public announcement;	Not Applicable	
c)	The highest price paid or payable for any acquisition, whether by the Acquirer or by any person acting in concert with him, during the Twenty-six weeks immediately preceding the date of the Public announcement:	Not Applicable	
d)	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period	Not Applicable (As Shares are infrequently traded)	
e)	<b>Other Parameters (in Rupees)</b>	<b>For year ended March 31, 2013 (Audited)</b>	<b>For year ended March 31, 2014 (Audited)</b>
	Profit after Tax	(5,09,823)	77,890
	Net worth	77,23,964	78,01,856
	Return on Net worth (%)	(6.60)%	1.00%
	Book Value Per Share	17.16	14.35
	Earnings per Share (EPS)	(1.13)	0.14

(Audited Results as certified by Mr. Hasmukh Dedhia (Membership No. 30839), Proprietor at H K Dedhia & Co., Chartered Accountants, practicing at 62, 2<sup>nd</sup> Floor, Vijay Nagar, Dadar (W), Mumbai - 400028, Tel.: 022-24300807, vide certificate dated August 21, 2014)

6.1.4. Based on 6.1.1, 6.1.2 & 6.1.3, the Manager to the Offer confirms that the offer price of Rs. 15/- (Rupees Fifteen Only) per equity share is justified in terms of Regulation 8 (2) (e) of SEBI (SAST) Regulations, 2011 and is based on the latest Audited financial data.

6.1.5. The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

6.1.6. There have been no Corporate Actions in the Target Company warranting adjustment of relevant price parameters.

- 6.1.7. The Acquirer shall disclose during the tendering period every acquisition made by it of any equity shares of the Target Company to the stock exchange and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6).
- 6.1.8. Irrespective of whether a competing offer has been made, the Acquirer may make upward revisions to the offer price, and subject to the other provisions of these regulations, to the number of shares sought to be acquired under the open offer, at any time prior to the commencement of the last three working days of opening of the tendering period i.e. up to October 13, 2014.
- 6.1.9. If the Acquirer acquires or agrees to acquire whether by itself or otherwise, any shares or voting rights in the target company during the offer period, whether by subscription or purchase, at a price higher than the offer price, the offer price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. In case of revision in the Offer price, shareholders would be notified.
- 6.1.10. If the Acquirer acquires equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition in terms of Regulation 8(10) of the SEBI (SAST) Regulations. However, no such difference shall be paid in the event that such acquisition is made under an open offer under 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 exchanges, not being negotiated acquisition of shares of the Target Company in any form.

## **6.2. Financial Arrangements**

- 6.2.1. Assuming full acceptance, the total requirement of funds for the Open Offer would be Rs. 21,20,520/- (Rupees Twenty One Lacs Twenty Thousand Five Hundred and Twenty Only). The Acquirer has already made firm arrangements for the financial resources required to implement the Open Offer in full out of its own sources/net worth and no borrowings from any Bank and/or Financial Institutions are envisaged. Mr. Rakesh Chaturvedi (Membership No. 102075), Partner of Paresh Rakesh & Associates having registered office at 103, Namrata CHS, Bldg. No. 15, Shastri Nagar, Link Road, Goregaon (W), Mumbai – 400104, Tel.: (022) 28774078, Email: mail@pareshrakesh.in, has certified vide certificate dated August 25, 2014, that the Acquirer has adequate financial resources for meeting its obligations under the Offer.
- 6.2.2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an Escrow Account under the name and title of MATRU-SMRITI TRADERS LIMITED ESCROW ACCOUNT – 00600350130883 with HDFC Bank Limited– Mumbai (“Escrow Bank”) and made a deposit of Rs. 21,25,000/- (Rupees Twenty One Lacs and Twenty Five Thousand Only) in the account, being more than 100% of the total consideration payable in accordance with the SEBI (SAST) Regulations.
- 6.2.3. In terms of an Escrow Agreement amongst the Acquirer, Manager to the Offer and the Escrow Bank, Ladderup Corporate Advisory Private Limited, the Manager to the Offer has been solely authorized to operate and to realize the value lying in the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.4. Based on the aforesaid financial arrangements and on confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to the Offer, Ladderup Corporate Advisory Private Limited is satisfied about the ability of the Acquirer to implement the offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer hereby confirms that the firm arrangement for funds and money for payment through verifiable means are in place to fulfil the Offer obligations in accordance with Regulation 27 (1) of Regulations.
- 6.2.5. In case of revision in the Offer Price, the Acquirer will further make Demand Deposit with the bank, of difference amount between previous Offer fund requirements and revised Offer fund requirements to ensure compliance with Regulation 17 (2) & 18 (5) (a) of the SEBI (SAST) Regulations.

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

### **7.1. Operational Terms and Conditions:-**

- 7.1.1. This Offer is not conditional upon any minimum level of acceptance i.e. it is not a conditional offer.
- 7.1.2. The Offer is subject to the terms and conditions set out in this Draft Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.3. The Letter of Offer together with the Form of Acceptance and transfer deed (for Shareholders holding Equity Shares in the physical form) is being mailed to those Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the beneficial owners of the Equity Shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date i.e. Tuesday, September 30, 2014. Owners of Equity Shares who are not registered as Shareholder(s) are also eligible to participate in the Offer at any time prior to the Date of Closure of the Offer.
- 7.1.4. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.5. The eligible persons can write to the Registrar / Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Date of Closure of the Offer i.e. Monday, November 3, 2014. Alternatively, The Letter of Offer along with the Form of Acceptance cum acknowledgement would also be available on SEBI's website, 'www.sebi.gov.in', and shareholders can also apply by downloading such forms from the website.
- 7.1.6. This Offer is subject to the receipt of the statutory and other approvals as mentioned under paragraph 7.4 of this Letter of Offer. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.7. The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 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.
- 7.1.9. Where the number of equity shares surrendered by the shareholders are more than the Equity Shares agreed to be acquired by Acquirer, the Acquirer will accept the offers received from the 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 nonmarketable lots, provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of Target Company in 1 (One) Equity Share.
- 7.1.10. The Acquirer will not be responsible in any manner for any loss of equity Share certificate(s) and Offer acceptance documents during transit. The equity shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

### **7.2. Locked in shares:-**

There are no locked-in shares in MSTL.

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

Registered shareholders of MSTL whose name appears on the register of members of the Target Company or beneficiaries on the beneficiary records of the Depository Participant as on the Identified date & unregistered shareholders who own the equity shares of MSTL any time prior to the date of Closure of the Offer other than the parties to the SPA i.e. the Acquirer and the Sellers.

### **7.4. Statutory Approvals:-**

- 7.4.1. As on the date of this DLOO, there are no statutory approvals required for the acquisition of equity shares to be tendered pursuant to this Offer. If any statutory approvals are required or become

applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of Regulation 23 of the SEBI (SAST) Regulations.

- 7.4.2. In case the Acquirer is unable to make the payment to the shareholders who have accepted the open offer within such period owing to non-receipt of statutory approvals required by the Acquirer, SEBI may, where it is satisfied that such non-receipt was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant extension of time in terms of Regulation 18(11) of SEBI (SAST) Regulations, 2011 for making payments, subject to the Acquirer agreeing to pay interest to the shareholders for the delay at such rate as may be specified.
- 7.4.3. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 23, the same would be communicated within two working days by an Announcement in the same newspapers in which the Detailed Public Statement was appeared.
- 7.4.4. If the Acquirer fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non action on their part, the amount lying as the demand deposit kept separately for the open offer shall be forfeited in the manner provided in Regulation 17(9) & 17(10)(e) of SEBI (SAST) Regulations.
- 7.4.5. No approvals are required from Financial Institutions/Banks for the Offer. No other Statutory Approvals are required for the Acquisition of shares under this Open Offer.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The shareholders who wish to accept the offer and tender their shares pursuant to this Offer will be required to send their documents to the following collection centre, both in case of shares held in physical and dematerialized form. The documents can be tendered between 10:00 hours to 17:00 hours from Monday to Friday and from 10:00 hours to 14:00 hours on Saturday. The centre will be closed on Sundays and Public holidays.

Contact Person	Address	Tel. No.	Fax No.	E-mail ID
Mr. V B Shah	<b>Purva Share Registry (India) Private Limited</b> 9, Shiv Shakti Industrial Estate, J R Boricha Marg, Lower Parel (E), Mumbai - 400011, Maharashtra	022-23016761	022-23012517	busicomp@vsnl.com

**Neither the Share Certificate(s) nor Transfer Deed(s) nor the Form of Acceptance should be sent to the Sellers or the Acquirer or the Target Company or the Manager to the Offer.**

### 8.2. Shareholders should send all the relevant documents mentioned below

Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed:

#### a) For Equity Shares held in Physical Form:

##### (i) Registered shareholders should enclose:

- ✓ Form of Acceptance cum Acknowledgement duly completed & signed in accordance with the instructions contained therein, by all shareholders whose names appear in the share certificate(s).
- ✓ Original share Certificates
- ✓ Valid share transfer Form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.  
In case of non-receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

##### (ii) Unregistered owners should enclose:

- ✓ Send to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address (es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers and Folio Number.
- ✓ Original share Certificate(s)
- ✓ Broker contract note.
- ✓ Valid share transfer form(s) as received from the market. The details of the buyer should be left blank failing which; the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed.

All other requirements for valid transfer will be preconditioned for acceptance. No indemnity is required from unregistered shareholders.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested, if the signature(s) of the transferor(s) differs from the Specimen signature(s) recorded with the Target Company or are not in the same order, such shares are liable to be rejected under the Offer even if the Offer has been accepted by bonafide owner of such shares.

- 8.3. Shareholders should also provide all relevant documents, which are necessary to ensure transferability of shares in respect of which the application is being sent, failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to)

- Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

- In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

- 8.4. For Shareholders holding shares in dematerialized form, will be required to send their Form of Acceptance-cum-Acknowledgement along with other documents to the Registrar of Offer by registered post or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the offer i.e. Monday, November 3, 2014 along with the photocopy of the delivery instructions in “Off Market” mode or counterfoils of delivery instructions in Off Market mode duly acknowledged by the Depository Participant (“DP”) in favour of “PSIPL ESCROW A/C – MATRU - SMRITI OPEN OFFER” (“Depository Escrow Account”) filled in as per the instructions given below:

<b>DP Name</b>	<b>R R S Shares &amp; Stock Brokers Private Limited</b>
<b>DP ID</b>	<b>12029000</b>
<b>Client ID</b>	<b>00037421</b>
<b>Depository</b>	<b>Central Depository Services (India) Limited (“CDSL”)</b>

Shareholders having their beneficiary account in National Securities Depository Limited (“NSDL”) shall use the inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account with CDSL.

- 8.5. The application should be signed by all the shareholders as per the registration details available with the Target Company and should be sent to the Registrar to the Offer in an envelope clearly marked **‘MSTL OPEN OFFER’**.
- 8.6. In case of **(a) shareholders who have not received this LOO, (b) unregistered shareholders, (c) owner of shares who have sent the shares to the Target Company for transfer**, may send their consent to the Registrar to the Offer on plain paper, stating the name, address, no. of shares held, distinctive nos., folio nos., no. of shares offered along with the Documents to prove their title to such shares such as broker notes, succession certificates, original share certificates/ original letter of allotment and valid share transfer deeds (one per folio) duly signed by such shareholders (in case of joint holdings, in the same order as per the specimen signature lodged with MSTL), and witnessed (if possible) by the notary public or a bank manager or a member of the stock exchange with membership no., as the case may be, shall need to be provided so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the offer i.e. Monday, November 3, 2014. Such shareholders can also obtain the LOO from the Registrar to the Open Offer by giving an application in writing to that effect.
- 8.7. In case of shareholders who have not received the LOO and holding Equity shares in the dematerialized form may send their consent to the Registrar to the Offer as specified in Para 8.1 above on a plain paper, stating the name, address, no of shares held, depository name, DP ID, Client ID, no of equity shares offered along with the original photocopy of the delivery instructions in “Off Market” mode or counterfoils of delivery instructions in Off Market mode duly acknowledged by the Depository Participant (“DP”), so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the offer i.e. Monday, November 3, 2014. Such shareholders can also obtain the LOO from the Registrar to the Open Offer by giving an application in writing to that effect.
- 8.8. Shareholders who have sent their Equity shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of closure of the Offer i.e. Monday, November 3, 2014, else the application would be rejected.
- 8.9. No indemnity is needed from unregistered shareholders.
- 8.10. In case the number of shares validly tendered in the Offer by the shareholders of Target Company are more than the shares to be acquired under the Offer (i.e. 1,41,368 equity shares) then the Acquirer shall accept the Offers received from the 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 shareholder shall not be less than the minimum marketable lot

or the entire holding, if it is less than the marketable lot. The marketable lot of the Target Company is 1 (One) equity share.

- 8.11. Non-Resident shareholders and Overseas Corporate Bodies, while tendering their equity shares under the Offer, should submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire/sell the equity shares of the Target Company. In case the previous RBI Approvals are not submitted, the Acquirer reserves the right to reject such equity shares tendered. While tendering the shares under the Offer, Non resident shareholders will also be required to submit a Tax Clearance Certificate from Income Tax Authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

As per the provisions of Section 196(D1)2 of the Income Tax Act, 1961, no deduction of tax at source shall be made from any income by way of capital gains arising from transfer of securities referred to in Section 115AD of the Income Tax Act payable to Foreign Institutional Investor ('FI') as defined in Section 115AD of the Income Tax Act, 1961.

- 8.12. In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to shareholders, subject to the Acquirer agreeing to pay interest for the delayed period, as directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.
- 8.13. In case of acceptance on a proportionate basis, the unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder. The intimation of returned shares to the shareholders will be at the address as per the records of the Target Company. Equity shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by the respective DPs when transferred by the Registrar to the Offer.
- 8.14. The consideration to those shareholders whose shares or share certificates and/or other documents are found complete, valid and in order will be paid by crossed account payee Cheques/Demand Drafts/Pay Order, through Electronic Clearing Services ('ECS')/ National Electronic Clearing Service ('NECS')/ Direct Credit ('DC')/ Real Time Gross Settlement ('RTGS')/ National Electronic Funds Transfer ('NEFT'). The consideration would be sent by registered post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.
- 8.15. Shareholders who opt for receiving consideration through ECS/NECS/DC/RTGS/NEFT are requested to give their Bank Details like Account Number, Name of the Bank and its address and IFSC Code of Bank in the Form of Acceptance cum Acknowledgement.
- 8.16. For all other applicants, including those applicants whose payment consideration is not credited by ECS due to technical errors or incomplete/incorrect bank account details or due to unavoidable reasons, payment consideration will be dispatched through Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.
- 8.17. In case of payment consideration is rejected through the ECS/NECS/DC/RTGS/NEFT facility, the Registrar to Offer would endeavour to dispatch the payment consideration within 3 working days of such rejection.
- 8.18. The Registrar to the Offer will hold in trust the Shares / Share Certificates, Transfer Deed(s), Shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

**8.19. GENERAL**

- 8.19.1. The Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.
- 8.19.2. Neither the Acquirer nor the Manager nor the Registrar nor the Target Company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), Share transfer deed(s) and/or other documents.
- 8.19.3. The Offer Price is denominated and payable in Indian Rupees only.
- 8.19.4. All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgment of the Form of Acceptance and other relevant particulars.
- 8.19.5. If there is any competitive bid:-  
The Public Offers under all the subsisting bids shall close on the same date.
- 8.19.6. As the Offer Price cannot be revised during 3 working days prior to commencement of the tendering period, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.
- 8.19.7. Wherever necessary, the financial figures are rounded off to nearest Lacs or Crores.
- 8.19.8. Alternatively, a copy of Public Announcement, Detailed Public Statement, Letter of Offer, Form of Acceptance cum Acknowledgement can be obtained from SEBI's official website: [www.sebi.gov.in](http://www.sebi.gov.in)

## 9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the Office of the Manager to the Offer, **Ladderup Corporate Advisory Private Limited**, 102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza, Gurunanak Hospital Road, Bandra (E), Mumbai-400051, from 10.00 hours to 17.00 hours on any working day, except Saturdays, Sundays and Public Holidays from the date of opening of the Offer until the closure of the Offer:

- 9.1. Certificate of Incorporation, Memorandum & Articles of Association of Matru-Smriti Traders Limited
- 9.2. Audited Annual Accounts for the financial years ended 31.03.2012, 31.03.2013 and 31.03.2014 of MSTL.
- 9.3. Certificate from Mr. Mr. Hasmukh Dedhia (Membership No. 30839), Proprietor at H K Dedhia & Co., Chartered Accountants, practicing at 62, 2<sup>nd</sup> Floor, Vijay Nagar, Dadar (W), Mumbai - 400028, Tel.: 022-24300807, certifying vide certificate dated August 21, 2014, the Financial Ratios of the Target Company for financial years ended March 31, 2012, March 31, 2013 and March 31, 2014
- 9.4. Certificate from Mr. Mr. Rakesh Chaturvedi (Membership No. 102075), Partner of Paresh Rakesh & Associates having registered office at 103, Namrata CHS, Bldg. No. 15, Shastri Nagar, Link Road, Goregaon (W), Mumbai – 400104, Tel.: (022) 28774078, Email: mail@pareshrakesh.in, certifying vide certificate dated August 25, 2014, that the Acquirer have sufficient financial resources for fulfilling all the obligations under the offer.
- 9.5. Certificates from Mr. Rakesh Chaturvedi (Membership No. 102075), Partner of Paresh Rakesh & Associates having registered office at 103, Namrata CHS, Bldg. No. 15, Shastri Nagar, Link Road, Goregaon (W), Mumbai – 400104, Tel.: (022) 28774078, Email: mail@pareshrakesh.in, dated August 25, 2014, specifying the Net worth of the Acquirer.
- 9.6. Letter dated from HDFC Bank Limited confirming Rs. 21,25,000/- (Rupees Twenty One Lacs and Twenty Five Thousand Only) has been deposited in the escrow account.
- 9.7. Copy of Share Purchase Agreement between the Acquirer and the Sellers dated August 21, 2014 for acquisition of 3,56,278 equity shares, which triggered the Offer.
- 9.8. Document evidencing of opening of Special Depository Account for receiving shares tendered under the Open Offer.
- 9.9. Copy of Public Announcement which was submitted to SEBI, BSE and the Target Company on August 21, 2014.
- 9.10. Published copy of Detailed Public Statement which appeared in the newspapers on August 28, 2014.
- 9.11. Copy of the recommendations dated [•] made by the Committee of Independent Directors of the Target Company.
- 9.12. Copy of SEBI Observation Letter no. [•] dated [•].
- 9.13. Undertaking from the Acquirer, stating full responsibility for all information contained in the PA, DPS and the Draft Letter of Offer.
- 9.14. Undertaking from the Acquirer that if it acquires any Shares of the Target Company after the date of the Public Announcement till the closure of the offer, it shall inform Stock Exchange and the Manager to the Offer within 24 hours.
- 9.15. Undertaking from the Acquirer for unconditional payment of the considerations within 10 working days of closure to all the Shareholders of the target company whose applications are accepted in the Open Offer.
- 9.16. Undertaking from the Acquirer that it shall be liable for the fulfilment of the Open Offer obligations.
- 9.17. Undertaking from the Acquirer that it does not have the intention to sell, dispose of or otherwise encumber any significant assets of the Target Company except in the ordinary course of business. The future policy for the disposal of its assets, if any, will be decided by the Target Company's Board of Directors, subject to applicable provisions of the law and subject to prior approval of the shareholders' of the Target Company at a General Body Meeting.

## **10. DECLARATION**

- 10.1. The Acquirer and Directors of the Acquirer have made all reasonable inquiries, accept responsibility for, and confirm that this Draft Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Draft Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
- 10.2. The Acquirer and Directors of the Acquirer accept full responsibility for the information contained in this Draft Letter of Offer and also for the fulfillment of the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 2011. All information contained in this document is as on date of the Draft Letter of Offer, unless stated otherwise.
- 10.3. The Acquirer and Directors of the Acquirer hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (SAST) Regulations have been complied with and no statements in the Offer document are contrary to the provisions of Companies Act, 1956 and SEBI (SAST) Regulations.

**For Shreeji Corporate Solutions and Trade Limited,**

**Ashish A. Shah**  
**Director**

**Date: 05-09-2014**

**Place: Mumbai**

### **11. Enclosures:**

1. Form of Acceptance cum Acknowledgement
2. Blank Share Transfer Deed(s)

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**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

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

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

(Please send this Form with enclosures to the Registrar to the Offer)

OFFER OPENS ON: <b>OCTOBER 17, 2014</b>
OFFER CLOSES ON: <b>NOVEMBER 3, 2014</b>
Please read the Instructions overleaf before filling-in this Form of Acceptance

From:

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.	

Tel No:

Fax No:

Email:

To,

Acquirer,

**C/O Purva Share Registry (India) Private Limited**

9, Shiv Shakti Industrial Estate,  
J R Boricha Marg,  
Lower Parel (E), Mumbai - 400011,  
Tel No. 022 23016761, Fax No. 022 23012517  
E-mail: busicomp@vsnl.com  
Contact Person : Mr. V. B. Shah

**Sub.: Open Offer to acquire 1,41,368 equity shares of Rs. 10/- each, representing 26% of the paid up/ voting capital of Matru-Smriti Traders Limited at a price of Rs. 15/- (Rupees Fifteen Only) per share payable in cash by Shreeji Corporate Solutions and Trade Private Limited ("Acquirer").**

Dear Sir,

- I / We, refer to the Letter of Offer dated .....2014 for acquiring the equity shares held by me / us in Matru-Smriti Traders Limited.
- I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
- I / We, unconditionally offer to sell to the "Acquirer" the following equity shares in Matru-Smriti Traders Limited (hereinafter referred to as "MSTL"), held by me / us, at a price of Rs. 15/- per fully paid-up equity share.
- FOR SHARES HELD IN PHYSICAL FORM:**  
I/We accept the Offer and enclose the original share certificate (s) and duly signed transfer deed (s) in respect of my/our shares as detailed below:

Ledger Folio No ... .. Number of share certificates attached ... ..			
Representing ..... equity shares			
Number of equity shares held in MSTL		Number of equity shares offered	
In figures	In words	In figures	In words

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1				

2				
3				
	Total no. of Equity Shares			

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

5. I / We confirm that the equity shares of MSTL which are being tendered herewith by me / us under the Offer are free from any liens, charges and encumbrances of any kind whatsoever.
6. I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer 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 Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
7. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me/us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I/We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
8. 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 Acquirer make 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.
9. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
10. I/We irrevocably authorize the Acquirer to send by Registered Post at my / our risk, the Cheque(s)/Demand Draft(s)/ Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with MSTL:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with MSTL):	
-----	
-----	
-----Place: ----- Date: -----	
Tel. No(s).-----	Fax No.: -----

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in Physical form may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.	
Bank Account No.: -----	
Type of Account: -----(Savings / Current/ Other (please specify)	
Name of the Bank: -----	
Name of the Branch and Address: -----	
I/We want to receive the payment through ECS/DC/NECS/RTGS/NEFT	
In case of ECS, 9- digit code number of the Bank & Branch	□ □ □ □ □ □ □ □ □
(Appearing on the MICR Cheque issued by the Bank)	

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

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



**BOOK-POST  
(PRINTED MATERIAL)**

To,

***If undelivered, please return to:***

**Purva Share Registry (India) Private Limited**

9, Shiv Shakti Industrial Estate,

J R Boricha Marg,

Lower Parel (E), Mumbai - 400011,

Tel No. 022 23016761, Fax No. 022 23012517

E-mail: busicomp@vsnl.com