DETAILED PUBLIC STATEMENT IN TERMS OF REGULATIONS 13(4) AND 15(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 TO THE EQUITY SHAREHOLDERS OF

HI-KLASS TRADING AND INVESTMENT LIMITED

(Registered Office: Office No. 15, 2nd Floor, Plot No. 24, Rehman Building, Veer Nariman Road, Hutatma Chowk, Fort, Mumbai - 400001, Maharashtra, India | Tel: +91 22 22874084/22874085 | Fax : NA
Email: info@hiklass.co.in | Website: www.hiklass.co.in | CIN: U51900MH1992PLC066262

OPEN OFFER ("OFFER") FOR ACQUISITION OF UP TO 8,07,612 (EIGHT LACS SEVEN THOUSAND SIX HUNDRED AND TWELVE) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES"), REPRESENTING UPTO 26% OF THE TOTAL VOTING SHARE CAPITAL OF HI-KLASS TRADING AND INVESTMENT LIMITED ("TARGET COMPANY" / "HKTIL") ON A FULLY DILUTED BASIS, AS OF THE TENTH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD OF THE OFFER ("TOTAL VOTING SHARE CAPITAL") (DEFINED BELOW), FROM THE PUBLIC SHAREHOLDERS (DEFINED BELOW) OF THE TARGET COMPANY FOR CASH AT OFFER PRICE (DEFINED BELOW) BY MR. SANJAY KUMAR JAIN ("ACQUIRER 1") AND MRS. SUMAN JAIN (ACQUIRER 2") (ACQUIRER 1 AND ACQUIRER 2 HEREINAFTER COLLECTIVELY REFERRED TO AS THE "ACQUIRERS").

THIS DETAILED PUBLIC STATEMENT ("DPS") IS BEING ISSUED BY SAFFRON CAPITAL ADVISORS PRIVATE LIMITED, THE MANAGER TO THE OFFER ("MANAGER"), FOR AND ON BEHALF OF THE ACQUIRERS IN COMPLIANCE WITH REGULATION 13(4) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AND SUBSEQUENT AMENDMENTS THERETO, ("TAKEOVER REGULATIONS"), PURSUANT TO THE PUBLIC ANNOUNCEMENT ("PA") FILED WITH BSE LIMITED ("BSE") ("STOCK EXCHANGE") ON OCTOBER 03, 2019, IN TERMS OF REGULATIONS 3(1) AND 4 OF THE TAKEOVER REGULATIONS. THE PA WAS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") AND SENT TO THE TARGET COMPANY ON OCTOBER 04, 2019 BY WAY OF LETTERS DATED OCTOBER 03, 2019, IN TERMS OF REGULATION 14(2) OF THE TAKEOVER REGULATIONS.

For the purposes of this DPS, the following terms have the meanings assigned to them below :

a) ***"Equity Shares"*** *shall mean the fully paid-up equity shares of face value of ₹ 10 each of the Target Company.*
b) ***"Total Voting Share Capital"*** *means the total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10th (Tenth) Working Day from the closure of the Tendering Period for this Offer.*
c) ***"Identified Date"*** *means the date falling on the 10th (Tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Public Shareholders to whom the letter of offer in relation to this Offer ("Letter of Offer") shall be sent.*
d) ***"Public Shareholders"*** *mean all the equity shareholders of the Target Company excluding (i) the Acquirers; (ii) parties to the SPAs (defined hereinafter); and (iii) the persons deemed to be acting in concert with the persons set out in (i) and (ii).*
e) ***"Sellers"*** *shall mean, all the members of the promoter and promoter group of the Target Company, namely, Mr. Pravin Kesharchand Chopda, M/s. Suresh Tarachand Jain HUF, Mr. Vimal Shantilal Patangia and Mr. Suresh Tarachand Jain.*
f) ***"Tendering Period"*** *has the meaning ascribed to it under the Takeover Regulations.*
g) ***"Working Day"*** *means any working day of the Securities and Exchange Board of India.*

I. ACQUIRERS, SELLERS, TARGET COMPANY AND OFFER

1. INFORMATION ABOUT THE ACQUIRERS

A. Mr. Sanjay Kumar Jain ("Acquirer 1")

(a) Sanjay Kumar Jain, aged 53 years, S/o Late Ratan Lal Jain, is residing at 2/1A, Justice Dwarka Nath Road, L R Sarani, Kolkata -700020, West Bengal, India; Tel: +91 9831021394; Email: skjain010@yahoo.com.
(b) Acquirer 1 has completed his Master of Business Administration (MBA) from Karpagam Academy of Higher Education (KARPAGAM) in the year 2012. He is an 'Authorized Person' as defined under SEBI Circular MIRSD/Dr-1/Cir-16/09 dated November 06, 2009 and operates through his proprietorship M/s Suman Securities which is currently affiliated with ISS Enterprise Limited. The Authorized Person registration number is AP0109180196982.
(c) Acquirer 1 doesn't belong to any group.
(d) Acquirer 1 is holding a Permanent Account Number- AEFPJ2439F.
(e) The details of the ventures promoted/controlled/managed by the Acquirer 1 is given hereunder:

Sr. No.	Name of the Entities	Nature of Interest	Percentage stake / holding
1	Hindusthan Club Limited	Director	Nil
2	ASZ Infratech LLP	Designated Partner	5%

(Source: www.mca.gov.in)

(f) Except as mentioned under point e above, Acquirer 1 confirms that he does not hold directorships in any company, including a listed company.
(g) Acquirer 1 hereby undertakes and confirms that the entities mentioned under point # e above are not participating or interested or acting in concert in this Open Offer.
(h) Acquirer 1 hereby undertakes and confirms that the entities mentioned in point# e above are not appearing in the willful defaulters list of Reserve Bank of India and are not debarred by SEBI from accessing capital markets as on date.
(i) The Networth of Acquirer 1 as on September 16, 2019 is ₹ **156.14** Lacs (Rupees One Crore Fifty Six Lacs and Fourteen Thousand only) and the same is certified by Mr. Arun Kumar Jain, Proprietor of Arun Jain & Associates, Chartered Accountant (Membership No. 053693; FRN No. 325867E having office at 2B, Grant Lane, 2nd Floor, Kolkata – 700 012; Email id: caarunkolkata@gmail.com, vide certificate dated September 20, 2019.
(j) Acquirer 1 confirms that he has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
(k) Acquirer 1 undertakes not to sell the equity shares of the Target Company held by him during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.
(l) There are no Person Acting in Concert ("PAC") along with Acquirer 1 in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the Takeover Regulations.
(m) Acquirer 1 confirms that currently there are no pending litigations pertaining to securities market where he is made party to.
(n) Acquirer 1 confirms that he is not related to the Promoters, Directors or key employees of the Target Company in any manner.
(o) Acquirer 1 has confirmed that he is not categorized as a "willful defaulter" in terms of regulation 2(1) (ze) of the Takeover Regulations.
(p) Acquirer 1 holds 35,000 equity shares, representing 1.13% of the Total Voting Share Capital of the Target Company as on the date of this DPS.
(q) He along with Acquirer 2 has signed a Share Purchase Agreement dated October 03, 2019 with the Sellers to acquire 8,17,500 equity shares constituting 26.32% of the Total Voting Share Capital of the Target Company.
(r) Acquirer 1 has not entered into any non-compete arrangement and/or agreement with the Sellers.
(s) Acquirer 1 confirms that he has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

B. Mrs. Suman Jain ("Acquirer 2")

(a) Suman Jain, aged 52 years, W/o Mr. Sanjay Kumar Jain, is residing at 2/1A, Justice Dwarka Nath Road, L R Sarani, Kolkata -700020, West Bengal, India; Tel: +91 9831210831; Email: sumanjain010@yahoo.com.
(b) Acquirer 2 has completed her Higher Secondary from West Bengal Council of Higher Secondary Education in the year 1987. She is an 'Authorized Person' as defined under SEBI Circular MIRSD/Dr-1/Cir-16/09 dated November 06, 2009 and works with Ashika Stock Broking Limited. The Authorized Person registration number is AP0109120169858.
(c) Acquirer 2 doesn't belong to any group.
(d) Acquirer 2 is holding a Permanent Account Number- ACQPJ1880K.
(e) The details of the ventures promoted/controlled/managed by the Acquirer 2 is given hereunder:

Sr. No.	Name of the Entities	Nature of Interest	Percentage stake / holding
1	Jain Vincom Private Limited	Director	Nil

(Source: www.mca.gov.in)

(f) Except as mentioned under point #e above, Acquirer 2 confirms that she does not hold directorships in any company, including a listed company.
(g) Acquirer 2 hereby undertakes and confirms that the companies mentioned under point #e above are not participating or interested or acting in concert in this Open Offer.
(h) Acquirer 2 hereby undertakes and confirms that the companies mentioned in point #e above are not appearing in the willful defaulters list of Reserve Bank of India and are not debarred by SEBI from accessing capital markets as on date.
(i) The Networth of Acquirer 2 as on September 13, 2019 is ₹ **146.13** Lacs (Rupees One Crore Forty Six Lacs and Thirteen Thousand only) and the same is certified by Mr. Arun Kumar Jain, Proprietor of Arun Jain & Associates, Chartered Accountant (Membership No. 053693; FRN No. 325867E having office at 2B, Grant Lane, 2nd Floor, Kolkata – 700 012; Email id: caarunkolkata@gmail.com, vide certificate dated September 20, 2019.
(j) Acquirer 2 confirms that she has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.
(k) Acquirer 2 undertakes not to sell the Equity Shares of the Target Company held by her during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.
(l) There are no Person Acting in Concert ("PAC") along with Acquirer 2 in relation to the Offer within the meaning of Regulation 2(1)(q)(1) of the Takeover Regulations.
(m) Acquirer 2 confirms that currently there are no pending litigations pertaining to securities market where she is made party to.
(n) Acquirer 2 confirms that she is not related to the Promoters, Directors or key employees of the Target Company in any manner.
(o) Acquirer 2 has confirmed that she is not categorized as a "willful defaulter" in terms of regulation 2(1) (ze) of the Takeover Regu-lations.
(p) Acquirer 2 holds 35,000 equity shares, representing 1.13% of the Voting Share Capital of the Target Company as on the date of this DPS.
(q) She along with Acquirer 1 has signed a Share Purchase Agreement dated October 03, 2019 with the Sellers to acquire 8,17,500 Equity Shares constituting 26.32% of the Total Voting Share Capital of the Target Company.
(r) Acquirer 2 has not entered into any non-compete arrangement and/or agreement with the Sellers.
(s) Acquirer 2 confirms that she has not been declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

C. Other Information:

i. Ms. Shiksha Jain and Ms. Sejal Jain daughters of the Acquirers hold 30,000 Equity Shares, representing 0.97% of the Total Voting Share Capital and 20,000 Equity Shares, representing 0.64% of the Total Voting Share Capital of the Target Company respectively. By virtue of the definition of PAC as per Regulation 2(1)(q) of the Takeover Regulations, both Ms. Shiksha Jain and Ms. Sejal Jain are deemed PACs of the Acquirers. Ms. Shiksha Jain and Ms. Sejal Jain vide letter dated October 03, 2019 have confirmed that they don't intend to participate in this Offer, directly or indirectly.
ii. Ms. Renu Jain, Sister of the Acquirer 1 also holds 20,000 Equity Shares, representing 0.64% of the Total Voting Share Capital of the Target Company. By virtue of the definition of PAC as per Regulation 2(1)(q) of the Takeover Regulations, Ms. Renu Jain is a deemed PAC of Acquirer 1. Ms. Renu Jain vide letter dated October 03, 2019 has confirmed that she doesn't intend to participate in this Offer, directly or indirectly.
iii. Mr. Dinesh Gangwal, Brother of Acquirer 2 also holds 25,000 Equity Shares, representing 0.80% of the Total Voting Share Capital of the Target Company. By virtue of the definition of PAC as per Regulation 2(1)(q) of the Takeover Regulations, Mr. Dinesh Gangwal is a deemed PAC of Acquirer 2. Mr. Dinesh Gangwal vide letter dated October 03, 2019 has confirmed that he doesn't intend to participate in this Offer, directly or indirectly.
iv. The Acquirers collectively with the PACs hold 1,65,000 Equity Shares constituting 5.31% of the Total Voting Share capital of the Target Company.

2. INFORMATION ABOUT THE SELLERS

Sr. No.	Name, PAN and Address of the Sellers	Whether part of Promoter and Promoter Group	Details of shares/voting rights held by the Sellers: Pre Transaction Number	Pre Transaction %	Post Transaction Number	Post Transaction %
Seller 1	Mr. Pravin Kesharchand Chopda **PAN:** AABPC1906G **Address:** Flat No. 303, B wing, Tarangan Apartment, Near Mahavir College, Kolhapur – 416001, Maharashtra, India	Yes	5,51,100	17.74	NIL	NIL
Seller 2	M/s Suresh Tarachand Jain HUF **PAN:** AAHHS2367H **Address:** 402 Bhima Sir Pochkhanwala Road, Worli, Mumbai – 400030, Maharashtra, India	Yes	2,21,300	7.12	NIL	NIL
Seller 3	Mr. Vimal Shantilal Patangia **PAN:** AADPP4489R **Address:** A 403, Goregaon Link Palace Chs Ltd, Sai Baba Complex, Goregaon East, Mumbai - 400063, Maharashtra, India	Yes	20,000	0.64	NIL	NIL
Seller 4	Mr. Suresh Tarachand Jain **PAN:** AACPJ9857E **Address:** 402 Bhima Sir Pochkhanwala Road, Worli, Mumbai – 400030, Maharashtra, India	Yes	25,100	0.81	NIL	NIL
	Total		**8,17,500**	**26.32**		

a) Accordingly, upon the completion of the sale and purchase of the Sale Shares (as defined below) under the SPA (as defined below), Sellers will not hold any Equity Shares in the Target Company and shall cease to be the Promoters of Target Company and relinquish the management control of the Target Company in favor of the Acquirers. The Acquirers will acquire control of the Target Company, and be classified as new promoters in accordance with the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations").
b) Sellers confirm that they have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulation made under the SEBI Act, 1992

3. INFORMATION ABOUT THE TARGET COMPANY
Hi-Klass Trading and Investment Limited ("Target Company")

3.1 The Company was originally incorporated on April 08, 1992, as "Hi-Klass Trading and Investment Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai. Subsequently, the name of the Company was changed to "Hi-Klass Trading and Investment Limited" vide a name change certificate dated February 22, 1996 issued by the Registrar of Companies, Maharashtra, Mumbai.
3.2 The registered office of the Target Company is situated at Office No. 15, 2nd Floor, Plot No. 24, Rehman Building, Veer Nariman Road, Hutatma Chowk, Fort, Mumbai - 400001, Maharashtra, India; Tel: +91 22 22874084/85; Email: info@hiklass.co.in; Website: www.hiklass.co.in.
3.3 Corporate Identification Number of the Target Company is U51900MH1992PLC066262*. *(Source: www.mca.gov.in).*
**Target Company has submitted letter dated February 14, 2019 to Ministry of Corporate Affairs for change in listing status of the Company, and is currently pending.*
3.4 Target Company made its maiden public issue pursuant to which its Equity Shares were listed on Ahmadabad Stock Exchange Limited ("ASE") wef May 14, 1997 and Pune Stock Exchange Limited ("PSE") wef May 14, 1997. Upon exit of ASE and PSE as stock exchanges, Equity Shares of the Target Company were shifted to the dissemination board of National Stock Exchange of India Limited wef November 02, 2016 and April 20, 2015 respectively. Subsequently, the Target Company made an application to BSE for listing of its Equity Shares and got its In - Principle Approval for the same on December 07, 2018. Equity Shares of the Target Company have been listed on BSE and were admitted for trading wef January 31, 2019.
3.5 The Equity Shares of Target Company are currently listed only on BSE since January 31, 2019, and having Scrip Code 542332. The ISIN of Equity Shares of Target Company is INE302R01016. *(Source: www.bseindia.com)*
3.6 The main objects of the Target Company as per its Memorandum of Association include:-
a) To carry on the business of exporting, importing, storing, supplying, purchasing, selling, bartering, exchanging, distributing and otherwise dealing in all kinds of goods, commodities, merchandise produce, things and shares on ready or forward basis on its own account or otherwise.
b) To carry on business of investment company and to invest in and to hold, purchase, sell and deal with the stocks, shares, bonds, debenture-stock, mortgage and obligations.
3.7 The Target Company is a Non-Banking Financial Company (Non Deposit Accepting or Holding) registered with Reserve Bank of India bearing registration no. 13.00134. It is engaged in trading and investments in shares, stocks, securities and properties and extends short term loans to corporate and firms/high networth individuals. *(Source website of the Target Company, www.hiklass.co.in)*
3.8 The total authorized share capital of the Target Company is ₹ 6,50,00,000 comprising of 65,00,000 Equity Shares of face value of ₹ 10 each. The issued and subscribed capital of the Target Company is ₹ 6,13,21,000 comprising of 61,32,100 Equity Shares of face value of ₹ 10 each. The paid-up share capital of the Target Company is ₹ 3,10,62,000 comprising of 31,06,200 Equity Shares of face value of ₹ 10 each.
3.9 As on the date of this DPS, there are no outstanding partly paid up shares of the Target Company.
3.10 The Equity Shares of the Target Company are infrequently traded on BSE. *(Source: www.bseindia.com)*.
3.11 The Target Company has paid listing fees to BSE for the financial year 2019-20.
3.12 Target Company confirms that the trading in the Equity Shares of the Target Company was never suspended on BSE.
3.13 There has been no change in the name of the Target Company during the last three years.
3.14 As on the date of the DPS, the board of directors of the Target Company consists of Mr. Suresh Tarachand Jain, (DIN: 01142300), Mr. Vimal Shantilal Patangia, (DIN: 00166331), Mrs. Anupama Nathalal Shah, (DIN: 07225051), Mr. Prakash Shree Gupta, (DIN: 07225056), and Mr. Pravin Prakash Rane, (DIN: 07225060).
3.15 The brief audited financial information of the Target Company for the financial years ended March 2017, 2018, 2019 and unaudited financials for the three months period ended June 30, 2019 are as under:

(₹ in Lacs, except Earnings Per Share)

Particulars	For the period ended June 30, 2019	For the year ended March 31, 2019	2018	2017
Total Revenue (Revenue from Operations + Other Income)	0.35	92.30	17.03	77.50
Profit/(Loss) After Tax	(4.23)	(22.81)	3.12	15.70
Earnings Per Share (₹)	(0.14)	(0.73)	0.10	0.78
Shareholders Fund / Networth	494.71	498.94	521.74	386.63

3.16 None of the directors of the Target Company represent the Acquirers as on the date of this DPS.

4. DETAILS OF THE OFFER

4.1 Acquirers are making this Offer to all the Public Shareholders of the Target Company to acquire up to 8,07,612 Equity Shares of face value ₹ 10/- (Rupees Ten only) each, representing 26% of the Total Voting Share Capital of the Target Company.
4.2 This Offer is being made at a price of ₹ **16.10/-** (Rupees Sixteen and Ten Paise only) (the **"Offer Price"**) per fully paid up equity share of face value ₹ 10/- (Rupees ten only) each of the Target Company, payable in cash in accordance with Regulation 9(1)(a) of the Takeover Regulations.
4.3 This Offer is not conditional on any minimum level of acceptance and is not a competing offer in terms of Regulations 19 and 20 respectively of the Takeover Regulations.
4.4 The Equity Shares of the Target Company will be acquired by the Acquirers as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
4.5 The consummation of the sale and purchase of the Sale Shares (as defined below) by the Acquirers, as envisaged under the share purchase agreement (as defined below), is subject to the terms and conditions mentioned therein.
4.6 The Manager to the Offer does not hold any Equity Shares in the Target Company as on the date of DPS. The Manger to the Offer further declares and undertakes that it shall not deal in the Equity Shares of the Target Company during the period commencing from the date of its appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.
4.7 The Acquirers do not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within 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 Takeover Regulations.
4.8 The acquisition of 26% of the Total Voting Share Capital under this Offer will not result in the public shareholding in the Target Company falling below the level required for continuous listing. To the extent the post-Offer holding of the Acquirers in the Target Company exceeds the maximum permissible non-public shareholding under Securities Contract (Regulation) Rules, 1957, and subsequent amendments thereto (the "SCRR"), the Acquirers undertake to reduce their shareholding to the level stipulated in the SCRR within the time and in the manner specified in the SCRR and the SEBI LODR Regulations.

II. BACKGROUND TO THE OFFER

1. On October 03, 2019, the Acquirers entered into Share Purchase Agreement (**"SPA"**) with the Sellers for purchase of up to 8,17,500 Equity Shares (**"Sale Shares"**) representing **26.32%** of the Total Voting Share Capital at a price of ₹ **6/-** (Rupees Six Only) per Sale Share payable in cash aggregating upto ₹ **49,05,000** (Rupees Forty Nine Lacs Five Thousand only). The purchase of the Sale Shares under the SPA is referred to as the "**Transaction**".
2. Upon completion of Transaction under the SPA and relinquishment of control by the Promoter and Promoter Group of the Target Company, the Acquirers will acquire management control of the Target Company.
3. The *important clauses including some of the conditions precedent to consummating the underlying Transaction, as mentioned* in the SPA are as follows:
*a) The Acquirers intends to buy from the Sellers and the Sellers intends to sell to the Acquirers 8,17,500 (Eight Lacs Seventeen Thousand Five Hundred Only) fully paid-up Equity Shares constituting 26.32% of the Total Voting Share Capital of the Target Company for an aggregate sale consideration of ₹ 49,05,000 (Rupees Forty Nine Lacs Five Thousand only) (**"SPA Consideration"**) through an off market transaction;*
b) The Acquirers shall pay the SPA Consideration to the Sellers by Demand draft or in such other manner as may be specified by the Sellers;
c) The Sellers confirm that the Sale Shares are fully paid up and the said shares are free from all liens, charges, encumbrances and the Sellers shall hand over the said confirmation letter to the Acquirers along with the letter received from the Target Company;
d) The Acquirers are fully aware that the Sale Shares are under lock-in and lock-in on these shares shall continue till the completion of the lock in period.
e) From the date of entering into the SPA till the date of the Closure, the Sellers shall not, except with the prior consent of the Acquirers, sell, transfer, gift, exchange or dispose of or any way deal in the equity shares of the Target Company or create any right, interest or encumbrance over the Sale Shares;
f) On Closing (as defined in SPA), the Parties shall take all steps necessary for fulfilling their respective obligations under the SPA and for Closing of the transaction envisaged in the SPA.
4. There are no partly paid up equity shares in the Target Company.
5. The Acquirers believe that the acquisition of the Target Company presents significant potential to them.
6. The object of the acquisition is substantial acquisition of Equity Shares/voting Rights accompanied by control over the Management of the Target Company.
7. At present, the Acquirers do not have any plans to make major changes to the existing line of business of the Target Company except in the ordinary course of business. The Acquirers may continue to support the existing business of the Target Company. However, in case the Acquirers intend to build new business it shall be subject to the prior approval of the Shareholders. Upon completion of the Offer, the Acquirers may reorganize the present Capital structure of the Company and also further strengthen the Board.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed equity shareholding of the Acquirers in the Target Company and the details of the acquisition are as follows:

Details	Acquirers: Number of Equity Shares	% to the Total Voting Share Capital
Shareholding as on the PA date:		
Acquirer 1	35,000	1.13
Acquirer 2	35,000	1.13
Equity Shares acquired through Share Purchase Agreement requiring an open offer to be made in accordance with **SEBI (SAST)** Regulations	8,17,500	26.32
Equity Shares acquired between the Public Announcement date and the DPS date	NIL	
Equity Shares proposed to be acquired in the Offer (assuming full acceptance)	8,07,612	26.00
Post Offer Shareholding on diluted basis on 10th working day after closing of Tendering Period	**16,95,112**	**54.57**

IV. OFFER PRICE

1. The Equity Shares of the Target Company are listed on BSE only.
2. The annualized trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the twelve calendar months prior to the month of PA (October 01, 2018 to September 30, 2019) is as given below:

Stock Exchange	Total no. of equity shares traded during the twelve calendar months prior to the month of PA	Total no. of listed equity shares	Annualized trading
BSE	50	31,06,200	Negligible

(Source: www.bseindia.com)

3. Based on the information provided in point above, the equity shares of the Target Company are **infrequently traded** on the BSE in terms of the SEBI (SAST) Regulations, 2011.
4. The Offer Price of ₹ **16.10/-** (Rupees Sixteen and Ten Paise only) is justified in terms of regulation 8 of the Takeover Regulations, **being the highest of the following :**

a)	Highest negotiated price per share for acquisition under the agreement attracting the obligations to make a public announcement for the offer;	₹ 6/-
b)	The volume-weighted average price paid or payable for acquisition(s), whether by the Acquirers or by any person(s) acting in concert, 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 Acquirers or by any person(s) acting in concert, 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
e)	Where the shares are not frequently traded, the price determined by the Acquirers and the Manager to the Open Offer taking into account valuation parameters per Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares	*₹ 16.06
	Other Financial Parameters as at March 31, 2019	
	Return on Networth (%)	(4.57)
	Book Value per share (₹)	16.06
	Earnings per share- Diluted (₹)	(0.73)

**Mr. Sanjay Jhajharia, Registered Valuer (Registration No. IBBI/RV/06/2019/11595) having office at 405, Bentinck Chambers, 4th Floor, 37A, Bentinck Street, Kolkata – 700 069, India; Email id: s.jhajharia@hotmail.com, vide certificate dated August 31, 2019, has certified that he has in terms of Supreme Court decision in the case of Hindustan Lever Employee Union V/s. Hindustan Lever Limited (1995) (83 Companies Cases 30), considered the Net Assets Value ("NAV") for the purpose of arriving at the fair value for the Equity Shares of the Target Company. As per the certification given, the Fair Value has been arrived at ₹ 16.06/- per Equity Share.*

5. In view of the above parameters considered and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹ **16.10/-** per equity share is justified in terms of regulation 8 of the SEBI (SAST) Regulations.
6. There have been no corporate actions undertaken by the Target Company warranting adjustment of any of the relevant price parameters.
7. There has been no revision in the Offer Price or to the size of this Offer as on the date of this DPS.
8. An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last one working day before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the Takeover Regulations. In the event of such revision, the Acquirers shall (i) make corresponding increases to the escrow amounts, as more particularly set out in paragraph V of the DPS; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision

V. FINANCIAL ARRANGEMENTS

1. Assuming full acceptances in the Offer, the total funds required to meet this Offer is ₹ **1,30,02,553.20** (Rupees One Crore Thirty Lac Two Thousand Five Hundred Fifty Three and Twenty Paise only).
2. The Networth of Acquirer 1 as on September 16, 2019 is ₹ 156.14 Lacs (Rupees One Crore Fifty Six Lac and Fourteen Thousand only) and the same is certified by Mr. Arun Kumar Jain, Proprietor of Arun Jain & Associates, Chartered Accountant (Membership No.053693; FRN No. 325867E having office at 2B, Grant Lane, 2nd Floor, Kolkata – 700 012; Email id: caarunkolkata@gmail.com, vide certificate dated September 20, 2019, bearing Unique Document Identification Number (UDIN) 19053693AAAABY5245.
3. The Networth of Acquirer 2 as on September 13, 2019 is ₹ 146.13 Lacs (Rupees One Crore Forty Six Lac and Thirteen Thou-sand only) and the same is certified by Mr. Arun Kumar Jain, Proprietor of Arun Jain & Associates, Chartered Accountant (Member-ship No. 053693; FRN No. 325867E having office at 2B, Grant Lane, 2nd Floor, Kolkata – 700 012; Email id: caarunkolkata@gmail.com, vide certificate dated September 20, 2019, bearing Unique Document Identification Number (UDIN) 19053693AAAABX3474.
4. Acquirers have adequate resources to meet their financial obligations for the Offer. No funds are borrowed from banks or financial institution for the purpose of this Offer by the Acquirers. Mr. Arun Kumar Jain, Proprietor of Arun Jain & Associates, Chartered Accountant (Membership No. 053693; FRN No. 325867E having office at 2B, Grant Lane, 2nd Floor, Kolkata – 700 012; Email id: caarunkolkata@gmail.com, vide certificate dated September 20, 2019, has confirmed that sufficient resources are available with the Acquirers for fulfilling the obligations under this 'Offer' in full.
5. In accordance with Regulation 17(1) of the Takeover Regulations, the Acquirers have opened an escrow account (**"Escrow Cash Account"**) in the name and style of **"HI - KLASS OPEN OFFER - ESCROW ACCOUNT"** with ICICI Bank Limited (**"Escrow Bank"**), a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 acting through its branch situated at Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400020 and have made a cash deposit of ₹ 1,50,00,00 (Rupees One Lac and Fifty Thousand only) (**"Escrow Deposit Amount"**) being **more than 1%** of the Maximum Consideration payable under the Offer. Escrow Bank vide email dated September 23, 2019 has confirmed the credit of Escrow Deposit Amount. Further, the Acquirers have also furnished a Bank Guarantee dated September 21, 2019 (**"Bank Guarantee"**) of an amount of ₹ 1,28,72,528 (Rupees One Crore Twenty Eight Lacs Seventy Two Thousand and Five Hundred Twenty Eight Only) (**"Bank Guarantee Amount"**) issued by the Escrow Bank in favor of the Manger to the Offer. Bank Guarantee is valid upto March 14, 2020. Escrow Deposit Amount and Bank Guarantee Amount, collectively constitute **more than 100%** of the Maximum Consideration payable by the Acquirers under the Offer. The Acquirers have empowered the Manager to the Offer to operate and to realize the value of the Escrow Cash Account and Bank Guarantee in terms of the Takeover Regulations.
6. In case of any upward revision in the Offer Price or the size of this Offer, the value in cash of the Escrow Amount shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded by the Acquirers, prior to effecting such revision, in terms of Regulation 17(2) of the Takeover Regulations.
7. The funds required in relation to the Offer have been met from funds from the own funds of the Acquirers.
8. Based on the above, Saffron Capital Advisors Private Limited, Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to implement the offer in full accordance with the Takeover Regulations.

VI. STATUTORY AND OTHER APPROVALS

1. As on the date of this DPS, to the best of the knowledge of the Acquirers, there are no regulatory or statutory approvals required other than the prior approval from the Reserve Bank of India (**"RBI"**) in accordance with Notification No. DBNR(PD)CC.No.065.03.10.001/2015-16 issued by RBI dated July 09, 2015 (**"RBI Circular"**) as amended from time to time, for change in management and transfer of management control of Non- Banking Finance Company. Target Company being a NBFC registered with RBI, the aforesaid RBI Circular is applicable and binding. The Target Company / Acquirers are in process of making application with Reserve Bank of India, Mumbai branch for the change in management and transfer of management control of the Target Company. The approval is currently awaited.
Except aforesaid, to the best of the knowledge of the Acquirers, there are no other statutory approvals required by the Acquirers to complete this Offer. However, in case of any such statutory approvals are required by the Acquirers at a later date before the expiry of the Tendering Period, this Offer shall be subject to such approvals and the Acquirers shall make the necessary applications for such statutory approvals.
2. If any of the Public Shareholders of the Target Company that are not resident in India (such NRIs, OCBs and FIIs) require any approvals interalia from RBI, the Foreign Investment Promotion Board or any regulatory body for the transfer any Equity Shares to the Acquirers, they shall be required to submit such approval along with the other documents required to be tendered to accept this Offer. If such approval is not submitted, the Acquirers reserves the right to reject the Equity Shares tendered by such Public Shareholders that are not resident in India. Subject to the receipt of statutory and other approvals, if any, the Acquirers shall complete all procedures relating to payment of consideration under this Offer within 10 working days from the date of expiry of the Tendering Period to those equity shareholders who have validly tendered Equity Shares in the Offer and are accepted for acquisition by the Acquirers.
3. In terms of Regulation 18(11) of the Takeover Regulations, the Acquirers shall be responsible to pursue all statutory approvals required by the Acquirers in order to complete the Open Offer without any default, neglect or delay. In case of delay in receipt of any statutory approval, the SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or the failure of the Acquirers 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 the SEBI, in terms of regulation 18(11) of the Takeover Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 17(9) of the Takeover Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
4. In terms of Regulation 23(1) of the Takeover Regulations, if the approvals mentioned in paragraph VI are not satisfactorily com-plied with or any of the statutory approvals are refused, the Acquirers have a right to withdraw the Offer. In the event of withdrawal, a public announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be filed with SEBI, BSE and the registered office of the Target Company.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Day and Date
Public Announcement (PA)	Thursday, October 03, 2019
Publication of DPS in the newspapers	Friday, October 11, 2019
Filing of the draft letter of offer with SEBI	Friday, October 18, 2019
Last date for a competitive bid	Monday, November 04, 2019
Last date for SEBI observations on draft letter of offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	Monday, November 11, 2019
Identified Date*	Thursday, November 14, 2019
Letter of Offer to be dispatched to shareholders	Thursday, November 21, 2019
Last date for revising the Offer price/ number of shares	Wednesday, November 27, 2019
Last Date by which the committee of the independent directors of the Target Company shall give its recommendation	Tuesday, November 26, 2019
Date of publication of Offer Opening Public Announcement	Wednesday, November 27, 2019
Date of commencement of Tendering Period (Offer Opening Date)	Thursday, November 28, 2019
Date of Expiry of Tendering Period (Offer Closing Date)	Wednesday, December 11, 2019
Last Date for completion of all requirements including payment of consideration	Thursday, December 26, 2019

**The Identified Date is only for the purpose of determining the Equity Shareholders as on such date to whom the letter of offer ("Letter of Offer") would be mailed. It is clarified that all the equity shareholders of the Target Company (registered or unregistered) of the equity shares of the Target Company (except the Acquirers, Seller and promoter group shareholders of the Target Company) are eligible to participate in this Offer at any time prior to the closure of this Offer.*

VIII. ELIGIBILITY TO PARTICIPATE IN THE OFFER AND PROCEDURE FOR TENDERING THE SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER

1. All Public Shareholders holding the shares in dematerialized form are eligible to participate in this Open Offer at any time during the period from Offer Opening Date till the Offer Closing Date (**"Tendering Period"**) for this Open Offer. Please refer to section titled "Procedure to be followed by shareholders who are holding equity shares in physical form" below of this part, for details in relation to tendering of Offer Shares held in physical form.
2. 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.
3. The Open Offer shall be implemented by the Target Company through Stock Exchange Mechanism made available by BSE in the form of separate window (**"Acquisition Window"**) as provided under the Takeover Regulations and SEBI Circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI.
4. For implementation of the Open Offer, the Acquirers have appointed Choice Equity Broking Private Limited as the Buying Broker (the "**Buying Broker**") through whom the purchases and settlements on account of the Open Offer would be made by the Acquirers. The contact details of the Buying Broker are as follows:
Name: Choice Equity Broking Private Limited
Address: Shree Shakambhari Corporate Park, Plot No. 156-158, J B Nagar, Andheri (East), Mumbai - 400099
Contact Person: Mr. Sheetal Murarka | **Tel.:** 022 - 67079857
E-mail ID: sheetal.murarka@choiceindia.com; compliance@choiceindia.com
5. All the Public Shareholders who desire to tender their Equity Shares under the Open Offer would have to intimate their respective stock broker (**"Selling Broker"**) during the normal trading hours of the secondary market during tendering period.
6. The Acquisition Window provided by BSE shall facilitate placing of sell orders. The Selling Brokers can enter orders only for demat equity shares.
7. The cumulative quantity tendered shall be displayed on the BSE website throughout the trading session at specific intervals by BSE during Tendering Period.
8. Public Shareholders can tender their Equity Shares only through a broker with whom they are registered as client (KYC Compliant).
9. In the event Seller Broker of any Public Shareholder is not registered with BSE then that Public Shareholder can approach the Buying Broker as defined in the Point # 4 above and tender the Equity Shares through the Buying Broker after submitting the details as may be required by the Buying Broker to be in compliance with the SEBI regulations.
10. **Procedure to be followed by the Public Shareholders who are holding Equity Shares in physical form:**
a) As per the proviso to Regulation 40(1) of the SEBI (LODR) Regulations (as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.
b) In this Open Offer, considering the timelines of activities prescribed under the Takeover Regulations, the acceptance of tendered shares will be undertaken after April 01, 2019. Accordingly, the Public Shareholders who are holding Equity Shares in physical form and are desirous of tendering their Equity Shares in the Open Offer can do so only after the Equity Shares are dematerialized. Such Public Shareholders are advised to approach any depository participant to have their Equity Shares dematerialized.

IX. THE DETAILED PROCEDURE FOR TENDERING THE EQUITY SHARES IN THIS OFFER WILL BE AVAILABLE IN THE LETTER OF OFFER.

X. OTHER INFORMATION

1. Acquirers accept the full and final responsibility for the information contained in the DPS and for the obligations of the Acquirers laid down in the Takeover Regulations.
2. The Public Announcement, the DPS and the Letter of Offer shall also be available on the SEBI website: www.sebi.gov.in

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
SAFFRON ••••• energising ideas **SAFFRON CAPITAL ADVISORS PRIVATE LIMITED** 605, Sixth Floor, Centre Point, J.B. Nagar, Andheri (E), Mumbai - 400 059, India **Tel No:** +91 22 4082 0914 / 915 **Fax No:** +91 22 4082 0999 **Email:** openoffers@saffronadvisor.com **Website:** : www.saffronadvisor.com **Investor Grievance:** investorgrievance@saffronadvisor.com **SEBI Registration Number:** INM000011211 **Validity:** Permanent **Contact Person:** Amit Wagle/ Gaurav Khandelwal	**PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED** Unit No. 9, Shiv Shakti Ind. Estate, J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai - 400 011, India **Tel No.:** +91 22-2301 2518 / 2301 6761 **E-mail:** support@purvashare.com **Website:** www.purvashare.com **SEBI Registration Number:** INR000001112 **Validity:** Permanent **Contact Person:** Deepali Dhuri

ISSUED BY MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRERS

ACQUIRER	
SANJAY KUMAR JAIN (ACQUIRER 1) Sd/-	SUMAN JAIN (ACQUIRER 2) Sd/-
Both acquirers residing at 2/1A, Justice Dwarka Nath Road, L R Sarani, Kolkata -700020, West Bengal, India; **Email:** skjain010@yahoo.com / sumanjain010@yahoo.com;	

Place: Kolkata
Date: October 10, 2019

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