



**MARK**  
**CORPORATE ADVISORS**

November 18, 2020

MCAPL: MUM: 2020-21: 0046

To,  
**The Listing Department**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400 001

Dear Sir/Madam,

**Sub : Submission of Draft Letter of Offer (“DLoF”)**

**Ref : Open Offer to the Public Shareholders of Vandana Knitwear Limited (“VKL”/“Target Company”)**

With reference to the captioned Offer, please find enclosed the Draft Letter of Offer of Vandana Knitwear Limited for your kind perusal.

The hard copy and soft copy of the same is being submitted to Securities & Exchange Board of India, Mumbai (“SEBI”) and to the Target Company through e-mail.

Kindly take the above information on your records.

Yours truly,

**For Mark Corporate Advisors Private Limited**



**Manish Gaur**  
**Asst. Vice President**

**Encl: As Above.**

**MARK** CORPORATE ADVISORS PVT. LTD.

CIN No : U67190MH2008PTC181996

GSTIN/UIN : 27AAF5379J1ZY

404/1, The Summit Business Bay, Sant Janabai Road, (Service Lane), Off. W. E. Highway, Vile Parle (E), Mumbai - 400 057  
Tele : +91 22 2612 3207 Fax : +91 22 2612 3208 Web : www.markcorporateadvisors.com E-mail : info@markcorporateadvisors.com

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

This Draft Letter of Offer (“**DLof**”) is sent to you as a Shareholder(s) of Vandana Knitwear Limited (“**VKL**”/“**Target Company**”). If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Draft Letter of Offer and Transfer Deed to the Member of the Stock Exchange through whom the said sale was affected.

**OPEN OFFER BY**

**Mr. Siddharth Gattani (“Acquirer 1”)**

**Residing at** House No. 03, Main Sector, Near NCC House, Shastri Nagar, Bhilwara-311 001, Rajasthan, India  
**Contact No.:** +91 70234 01111, **E-Mail ID:** siddharthgattani@gmail.com

and

**Mr. Shorya Gattani (“Acquirer 2”)**

**Residing at** House No. 03, Main Sector, Near NCC House, Shastri Nagar, Bhilwara-311 001, Rajasthan, India  
**Contact No.:** +91 70234 01111, **E-Mail ID:** siddharthgattani@gmail.com

to the existing shareholders of

**VANDANA KNITWEAR LIMITED**

(CIN: L18101RJ1995PLC072122)

**Registered Office:** H 585, Neelkanth Colony, Shastri Nagar, Bhilwara-311 001, Rajasthan

**Tel No.:** + 91 83850 41331; **E-Mail ID:** trendyknitwear@gmail.com

**Website:** www.trendyknitwearlimited.com

to acquire 5,56,32,300 Equity Shares of ₹1 each representing 52% of Equity Share Capital/Voting Capital of the Target Company at a price of ₹0.40 (Paise Forty only) per Equity Share (“**Offer Price**”), payable in cash

- This Offer is being made by the Acquirers pursuant to Regulation 3(1) and 4 of SEBI (SAST) Regulations 2011.
- This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.
- As on date of this Draft Letter of Offer, there are no Statutory Approvals required to acquire Equity Shares that are validly tendered pursuant to this Open Offer. However, the Open Offer would be subject to all Statutory Approvals that may become applicable at a later date but before completion of the Open Offer.
- If there is any upward revision in the Offer Price/Offer Size at any time prior to commencement of the last one (1) working day prior to commencement of the Tendering Period i.e. December 24, 2020 (Thursday) in terms of the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement (‘DPS’) was published. Such revised Offer Price would be payable to all the Shareholders, who have validly tendered their Equity Shares anytime during the Tendering Period to the extent their Equity Shares have been verified and accepted under the Offer, by the Acquirers. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had been published.
- If there is a competing offer:  
The Public Offers under all the subsisting bids shall open and close on the same date.
- A copy of the Public Announcement (‘PA’), Detailed Public Statement (‘DPS’) and this Draft Letter of Offer (‘DLof’) are also available on the website of Securities and Exchange Board of India (‘SEBI’) at www.sebi.gov.in.

<b>MANAGER TO THE OFFER</b>		<b>REGISTRAR TO THE OFFER</b>	
	<b>MARK CORPORATE ADVISORS PRIVATE LIMITED</b> CIN: U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Maharashtra. India <b>Tel. No.:</b> +91 22 2612 3207/08 <b>E-Mail ID:</b> openoffer@markcorporateadvisors.com <b>Contact Person:</b> Mr. Manish Gaur <b>SEBI Reg. No.:</b> INM000012128		<b>BIGSHARE SERVICES PRIVATE LIMITED</b> CIN: U99999MH1994PTC076534 1 <sup>st</sup> Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marol Naka, Andheri East, Mumbai-400 059. Maharashtra. India. <b>Tel. No.:</b> +91 22 62638200 <b>E-Mail ID:</b> openoffer@bigshareonline.com <b>Investor Grievance E-Mail ID:</b> investor@bigshareonline.com <b>Contact Person:</b> Mr. Arvind Tandel <b>Website:</b> www.bigshareonline.com <b>SEBI Reg. No.:</b> INR000001385
	<b>Offer Opens on</b> : December 29, 2020 (Tuesday)		<b>Offer Closes on</b> : January 11, 2021 (Monday)

**TENTATIVE SCHEDULE OF ACTIVITIES PERTAINING TO THE OFFER:**

<b>Nature of Activity</b>	<b>Date</b>	<b>Day</b>
Date of the PA	November 03, 2020	Tuesday
Date of publishing the Detailed Public Statement	November 10, 2020	Tuesday
Last date for filing of Draft Letter of Offer with SEBI	November 18, 2020	Wednesday
Last date of a competing offer	December 03, 2020	Thursday
Latest date by which SEBI's observations will be received	December 10, 2020	Thursday
Identified Date*	December 14, 2020	Monday
Last date by which the Letter of Offer will be dispatched to the Shareholders ( <i>Except the Acquirers and the Selling Shareholders</i> ) as on the identified date	December 21, 2020	Monday
Last date by which the recommendation of the committee of Independent Directors of the Target Company will be given and published	December 23, 2020	Wednesday
Last Date for revising the Offer Price/number of shares	December 24, 2020	Thursday
Date of Public Announcement for Opening the Offer	December 28, 2020	Monday
Date of Commencement of the Tendering Period (" <b>Offer Opening date</b> ")	December 29, 2020	Tuesday
Date of Closing of the Tendering Period (" <b>Offer Closing date</b> ")	January 11, 2021	Monday
Last date for communicating Rejection/acceptance and payment of consideration for accepted equity shares or credit of unaccepted shares to demat account	January 25, 2021	Monday

\* *Identified Date is only for the purpose of determining the names of the shareholders (except the Acquirers and the Selling Shareholders) as on such date to whom the Letter of Offer will be sent. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company, are eligible to participate in this Offer any time during the tendering period of the Offer.*

## **RISK FACTORS:**

**Given below are the risks related to the proposed Offer and those associated with the Acquirers:**

### **Relating to the Proposed Offer:**

- 1) This Offer is not subject to the receipt of any statutory approvals. If any Statutory Approval is required or become applicable at a later date and therefore, in the event that either the statutory approvals or regulatory approvals, if any, are not received in a timely manner or there is any litigation to stay the Offer, or SEBI instructs the Acquirers not to proceed with the Offer, the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of Target Company, whose Equity Shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the Regulations.
- 2) Where the statutory approvals extend to some but not all of the Public Shareholders, the Acquirers shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- 3) In case of over-subscription in the Offer, as per the Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the shareholders in the Offer will be accepted.
- 4) Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of equity shares under this Offer and despatch of consideration are delayed.

### **Relating to the Acquirers:**

- 1) The Acquirers makes no assurance with respect to the financial performance of the Target Company and their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- 2) The Acquirers cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly 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.
- 3) The Acquirers and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement ('PA')/Detailed Public Statement ('DPS')/Draft Letter of Offer ('DLoF')/Letter of Offer ('LoF') and anyone placing reliance on any other sources of information, not released by the Acquirers, would be doing so at his / her / its own risk.

**The Risk Factors set forth above pertain to the Offer and does not relate to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for further risks with respect to each such Shareholder's participation in the Offer.**

## TABLE OF CONTENTS

<b>1. ABBREVIATIONS/DEFINITIONS</b> .....	<b>1</b>
<b>2. DISCLAIMER CLAUSE</b> .....	<b>3</b>
<b>3. DETAILS OF THE OFFER</b> .....	<b>3</b>
3.1. BACKGROUND OF THE OFFER .....	3
3.2. DETAILS OF THE PROPOSED OFFER.....	6
3.3. OBJECT OF THE OFFER.....	7
<b>4. BACKGROUND OF THE ACQUIRERS</b> .....	<b>7</b>
<b>5. BACKGROUND OF THE TARGET COMPANY-VANDANA KNITWEAR LIMITED</b> .....	<b>9</b>
<b>6. OFFER PRICE AND FINANCIAL ARRANGEMENTS</b> .....	<b>12</b>
6.1. JUSTIFICATION OF OFFER PRICE.....	12
6.2. DETAILS OF FIRM FINANCIAL ARRANGEMENTS .....	15
<b>7. TERMS AND CONDITIONS OF THE OFFER</b> .....	<b>16</b>
7.1. OPERATIONAL TERMS AND CONDITIONS.....	16
7.2. LOCKED-IN SHARES.....	16
7.3. ELIGIBILITY FOR ACCEPTING THE OFFER .....	16
7.4. STATUTORY APPROVALS.....	17
<b>8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER</b> .....	<b>18</b>
<b>9. DOCUMENTS FOR INSPECTION</b> .....	<b>23</b>
<b>10. DECLARATION BY THE ACQUIRERS</b> .....	<b>24</b>

## 1. ABBREVIATIONS/DEFINITIONS

<b>Acquirer 1</b>	Mr. Siddharth Gattani
<b>Acquirer 2</b>	Mr. Shorya Gattani
<b>BSE</b>	BSE Limited, Mumbai
<b>CDSL</b>	Central Depository Services (India) Limited
<b>Companies Act</b>	Companies Act, 1956 and Companies Act, 2013
<b>CP</b>	Conditions Precedent
<b>DP</b>	Depository Participant
<b>DPS/Detailed Public Statement</b>	Detailed Public Statement relating to the Offer published on November 10, 2020 (Tuesday)
<b>DLoF/Draft Letter of Offer</b>	This Draft Letter of Offer dated November 17, 2020 (Tuesday)
<b>Eligible Persons for the Offer</b>	All owners (registered or unregistered) of Equity Shares of the Target Company who own the shares at any time before the Closure of the Offer ( <i>except the Acquirers and the Sellers</i> )
<b>Equity Share Capital</b>	Paid-up Equity Share Capital of ₹10,69,85,070 comprising of 10,69,85,070 Equity Shares of ₹1 each
<b>Equity Shares</b>	Fully paid-up Equity Shares of the Target Company of the Face Value of ₹1 each
<b>Escrow Account</b>	Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer
<b>Escrow Amount</b>	Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer
<b>Escrow Bank</b>	IndusInd Bank Limited
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended from time to time
<b>FIIs</b>	Foreign Institutional Investors registered with SEBI
<b>Identified Date</b>	December 14, 2020 (Monday) i.e. date falling on the tenth (10 <sup>th</sup> ) Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom this Letter of Offer shall be sent
<b>IFSC</b>	Indian Financial System Code
<b>Income Tax Act</b>	Income Tax Act, 1961, as amended from time to time
<b>₹/INR/Rs.</b>	Indian Rupees, the legal currency of India
<b>Manager/Manager to the Offer</b>	Mark Corporate Advisors Private Limited
<b>MICR</b>	Magnetic Ink Character Recognition
<b>NA/N.A.</b>	Not Applicable
<b>Non-Resident Shareholder(s)</b>	Persons resident outside India as defined under FEMA, holding Equity Shares of the Target Company
<b>NRI</b>	Non-Resident Indian
<b>OCBs</b>	Overseas Corporate Bodies
<b>Offer period</b>	Period from the date of entering into an agreement, to acquire Equity Shares, Voting Rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn
<b>Offer/Open Offer</b>	The Open Offer is made by the Acquirers to the Public Shareholders to acquire upto 5,56,32,300 Equity Shares representing 52% of the Equity Share Capital/Voting Capital of the Target Company
<b>Offer Price</b>	₹0.40 (Paise Forty only) per Equity Share
<b>Offer Size</b>	Upto 5,56,32,300 Equity Shares representing 52% of Equity Share Capital/Voting Capital of the Target Company at a price of ₹0.40 (Paise Forty only) per Equity Share, aggregating to ₹2,22,52,920 (Rupees Two Crores Twenty Two Lakhs Fifty Two Thousand Nine Hundred and Twenty only)
<b>PA/Public Announcement</b>	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirers on November 03, 2020 (Tuesday)
<b>Promoters</b>	Promoters of Vandana Knitwear Limited as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015

<b>Public Shareholder(s)</b>	The Equity Shareholder(s) of the Target Company other than the Acquirers and the Promoters/Promoter Group/Sellers of the Target Company
<b>Registrar/Registrar to the Offer</b>	Bigshare Services Private Limited
<b>RTGS</b>	Real Time Gross Settlement
<b>Sale Shares</b>	1,00,21,279 Equity Shares of ₹1 each of Vandana Knitwear Limited
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI Act</b>	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
<b>SEBI (LODR) Regulations, 2015</b>	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, and subsequent amendments thereof
<b>SEBI (SAST) Regulations, 2011/SEBI (SAST) Regulations/Regulations</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
<b>Sellers/Selling Shareholders</b>	Mr. Sanjay Babulal Rathod, Mr. Babulal Khimraj Jain, Mrs. Kusum Nilesh Mohile, Mrs. Chandadevi Babulal Jain, Mr. Rathod Jain Kishore B and Mrs. Sangeeta Sanjay Rathod
<b>SPA/Agreement</b>	Share Purchase Agreement entered on November 03, 2020 (Tuesday)
<b>Stock Exchange(s)</b>	BSE Limited
<b>Target Company/Vandana</b>	Vandana Knitwear Limited
<b>Tendering Period</b>	Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including December 29, 2020 (Tuesday) to January 11, 2021 (Monday)

## 2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 SHAREHOLDERS OF VANDANA KNITWEAR LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 17, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS 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 Mr. Siddharth Gattani (“Acquirer 1”) and Mr. Shorya Gattani (“Acquirer 2”) to the Equity Shareholders of Vandana Knitwear Limited (hereinafter referred to as “VKL”/“Target Company”) pursuant to and in compliance with regulation 3(1) and 4 of the Regulations to acquire upto 5,56,32,300 Equity Shares of ₹1 each representing 52% of the Equity Share Capital/Voting Capital of the Target Company (“Offer Size”) at a price of ₹0.40 (Paise Forty only) per Equity Share (“Offer Price”), payable in cash, subject to the terms and conditions set out in the PA, DPS, DLoF and LoF that will be sent to the Public Shareholders of the Target Company.

3.1.2. The details of the Transactions which triggered the Open Offer are as under:

The Acquirers have entered into a Share Purchase Agreement (“SPA”) with the existing Promoters/Promoter Group (hereinafter referred to “Selling Shareholders”/“Sellers”) of the Target Company for 1,00,21,279 Equity Shares representing 9.37% of the Equity Share Capital/Voting Capital of the Target Company. The details of the Acquisition through SPA is as under:

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre Transaction		Post Transaction	
			No of Shares	% vis a vis total Share Capital	No of Shares	% vis a vis total Share Capital
1)	<b>Mr. Sanjay Babulal Rathod</b> <i>PAN: AACPJ 4592 J</i> <i>Address:</i> A/301, Chandulal Park, Near MBMC Station Road, Bhayander (W), Thane-401 101, Maharashtra, India	Yes	34,00,000	3.18%	Nil	N.A.
2)	<b>Mr. Babulal Khimraj Jain</b>	Yes	21,99,980	2.06%	Nil	N.A.



Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre Transaction		Post Transaction	
			No of Shares	% vis a vis total Share Capital	No of Shares	% vis a vis total Share Capital
	<p>PAN: AAEPJ 9928 Q</p> <p>Address: 301, Kamtia Niketan CHS Ltd, Ram Mandir Road, Near Kombdi Galli, Bhayander (W), Thane-401 101, Maharashtra, India</p>					
3)	<p><b>Mrs. Kusum Nilesh Mohile</b></p> <p>PAN: AAFPJ 0722 M</p> <p>Address: 202, Sai Chaya Apartment, Fatak Road, Opp. Post Office, Bhayander (W), Thane-401 101, Maharashtra, India</p>	Yes	14,21,299	1.33%	Nil	N.A.
4)	<p><b>Mrs. Chandadevi Babulal Jain</b></p> <p>PAN: AAFPJ 0724 P</p> <p>Address: 301, Kamtia Niketan CHS Ltd, Ram Mandir Road, Near Kombdi Galli, Bhayander (W), Thane-401 101, Maharashtra, India</p>	Yes	10,00,000	0.93%	Nil	N.A.
5)	<p><b>Mr. Rathod Jain Kishore B</b></p> <p>PAN: AJEPR 2270 G</p> <p>Address: 301, Kamtia Niketan CHS Ltd, Ram Mandir Road, Near Kombdi Galli, Bhayander (W), Thane-401 101, Maharashtra, India</p>	Yes	10,00,000	0.93%	Nil	N.A.
6)	<p><b>Mrs. Sangeeta Sanjay Rathod</b></p> <p>PAN: AACPJ 9073 A</p> <p>Address: A/301, Chandulal Park, Near MBMC Station Road, Bhayander (W),</p>	Yes	10,00,000	0.93%	Nil	N.A.

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre Transaction		Post Transaction	
			No of Shares	% vis a vis total Share Capital	No of Shares	% vis a vis total Share Capital
	Thane-401 101, Maharashtra, India					
	<b>TOTAL</b>		<b>1,00,21,279</b>	<b>9.37%</b>	<b>Nil</b>	<b>N.A.</b>

3.1.3. The Sellers 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.

3.1.4. The Salient features of the Share Purchase Agreement ('SPA') are as under:

#### **AGREEMENT TO SELL SHARES**

- 1) Subject to the satisfaction of the Condition Precedent specified in Clause 3, the Sellers shall sell to the Acquirers and the Acquirers shall, relying on the several representations and undertakings of the Sellers hereinafter contained, purchase the Sale Shares, free from all Encumbrances against payment of the Purchase Consideration and on the terms and conditions hereinafter contained ("Transaction").
- 2) The Purchase Consideration for the Sale Shares shall be at the rate of Rs. 0.35 (Paise Thirty Five only) per share ("Purchase Price").
- 3) An Earnest Money Deposit ("EMD") of Rs. 5,00,000 (Rupees Five Lakhs only) will be paid by the Acquirers for the Purchase of Shares at the time of execution of this Share Purchase Agreement. The Purchase Consideration after adjusting the EMD would be paid at the time of Completion after compliance with the Takeover Regulations and payment of consideration to the shareholders who have surrendered their Equity Shares in the Open Offer ("Balance Consideration").
- 4) The Sale Shares will be lying in the Demat Account of the Sellers and upon the payment of balance consideration to the Sellers after adjusting the EMD, the Sellers will transfer their respective holding in the Target Company to the respective demat accounts of the Acquirers.

#### **CONDITIONS OF AGREEMENT**

- 1) Condition Precedent

The Transaction is conditional upon the Acquirers having obtained the requisite approval/clearance from SEBI for the Open Offer in accordance with the Takeover Regulations.

#### **COMPLIANCE WITH TAKEOVER REGULATIONS**

- 1) The Completion shall be subject to compliance with the provisions of the Takeover Regulations and the Acquirers shall ensure such compliance with the Takeover Regulations.
- 2) On the consummation of the Open Offer, if the combined shareholding of the Acquirers (who will be classified as 'Promoters' of the Company under the SEBI (LODR) Regulations such that the Company does not satisfy the 'minimum public shareholding' in terms of Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (MPS Requirement), then the Acquirers shall reduce their shareholding in the Company in accordance with applicable law to comply with such MPS Requirement, including but not limited to through an institutional placement programme in terms of Chapter VIIIA of SEBI circular CIR/MRD/DP/05/2012 (as amended from time to time). The Parties agree that the responsibility to comply with the MPS Requirement shall be of the Acquirers.

3.1.5. The Proposed change in control of the Target Company is not through any Scheme of Arrangement.

3.1.6. The Acquirers reserves the right to nominate someone representing them to be a Director on the Board of the Target Company during the Offer Period in accordance with the Regulations by depositing 100% of the Maximum Consideration payable under the Offer in the Cash Escrow Account as required under Regulation 24(1) of the SEBI (SAST) Regulations. However, as on date, Mrs. Ranjana Gattani, mother of the

Acquirers is on the Board of the Target Company, holding position of Non-Executive Independent Director. She was appointed on July 10, 2020 and she will recuse herself and not participate in any matter concerning or relating to the Offer including any preparatory steps leading to the Offer.

3.1.7. As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors are required to constitute a committee of Independent Directors to provide reasoned recommendation on this Offer to the Eligible Shareholders. Such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

3.1.8. No other persons/individuals/entities are acting in concert with the Acquirers for the purpose of this Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations.

### **3.2. DETAILS OF THE PROPOSED OFFER**

3.2.1. The PA announcing the Open Offer, under Regulation 3(1) and 4 read with Regulation 13, 14 and 15 of the Regulations was made on November 03, 2020 (Tuesday) and was filed with Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and the Target Company on the same day through e-mail.

3.2.2. In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, the DPS was published on November 10, 2020 (Tuesday) in the following newspapers:

<b>Publication</b>	<b>Language</b>	<b>Edition(s)</b>
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Lakshadeep	Marathi	Mumbai
Prabhat Abhinandan	Hindi	Jaipur
Rayalseema Samayan	Telugu	Hyderabad

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

3.2.3. Simultaneously with the publication of DPS in the newspapers, a copy of the DPS was filed through the Manager to the Offer with SEBI, BSE and the Target Company through e-mail.

3.2.4. This Offer is made by the Acquirers to all Eligible Shareholders, to acquire up to 5,56,32,300 Equity Shares representing 52% of the Equity Share Capital/Voting Capital, at a price of ₹0.40 (Paise Forty only) per Equity Share, to be paid in cash, in accordance with Regulation 9(1)(a) of the Regulations and subject to the terms and conditions set out in the PA, the DPS and DLoF.

3.2.5. There is no differential pricing for the Offer.

3.2.6. This is not a Competing Offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There has been no competing offer as of the date of this Draft Letter of Offer.

3.2.7. The Offer is unconditional and not subject to any minimum level of acceptance from the shareholders. In terms of Regulation 19(1) of the Regulations, the Acquirers will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 5,56,32,300 Equity Shares representing 52% of the Equity Share Capital/Voting Capital of the Target Company.

3.2.8. The Acquirers have not acquired any shares of the Target Company after the date of PA i.e. November 03, 2020 (Tuesday) up to the date of this DLoF.

3.2.9. The Acquirers will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event Statutory Approvals are refused. In the event of withdrawal of this Offer, 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 sent to SEBI, BSE and the Target Company through e-mail.

3.2.10. As on date, the Manager to the Offer, Mark Corporate Advisors Private Limited does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not

deal on their own account in the Equity Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

- 3.2.11. The Equity Shares of the Target Company acquired by the Acquirers shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.12. As per Regulation 38 of SEBI (LODR) Regulations read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the Public Shareholding in the Target Company will not fall below the minimum public shareholding requirement as per SCRR as amended and SEBI (LODR) Regulations, 2015.

### **3.3. OBJECT OF THE OFFER**

- 3.3.1. This Offer is being made to the public shareholders of Target Company pursuant to and in compliance with regulation 3(1) and 4 of the Regulations.
- 3.3.2. At present, the Acquirers are mainly engaged in the activities of Textile, Real Estate, Rubber, etc., and they 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. However, the Acquirers may diversify into other areas with the prior approval of the Shareholders. The Acquirers may reorganize the present Capital Structure of the Company and also further strengthen the Board.
- 3.3.3. 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 of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of regulation 25(2) of the Regulations.

## **4. BACKGROUND OF THE ACQUIRERS**

### **4.1. Information about Mr. Siddharth Gattani ("Acquirer 1")**

- 4.1.1. Siddharth Gattani, s/o Shri Naresh Kumar Gattani, aged about 28 years, is presently residing at House No. 03, Main Sector, Near NCC House, Shastri Nagar, Bhilwara-311 001, Rajasthan, India, Contact No.: +91 70234 01111, E-Mail ID: siddharthgattani@gmail.com. He is a Bachelor of Science (Business Administration) from State University of New York, Buffalo, USA. His Permanent Account Number (PAN) under Indian Income Tax Act is AMYPG 5674 J. He has approximately five (5) years of experience in the areas of Textile and Real Estate.
- 4.1.2. He is not part of any group.
- 4.1.3. As on date, Acquirer 1 does not hold any Equity Share in the Target Company. However, he has entered into a Share Purchase Agreement on November 03, 2020 (Tuesday) to acquire 64,00,000 Equity Shares representing 5.98% of the Equity Share Capital/Voting Capital of the Target Company.
- 4.1.4. He has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11 B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.1.5. The Net Worth of Acquirer 1 is ₹261.98 Lakhs (Rupees Two Hundred Sixty One Lakhs Ninety Eight Thousand only) as on October 31, 2020 as certified by CA S N Kabra, Partner (Membership No. 072497) of M/s S N Kabra & Co., Chartered Accountants (FRN: 003439C) having office at 207, 'C' Block, Silver Mall, 8-R.N.T. Marg, Indore-452 001, Tel. No.: +91 731 2556405, E-Mail ID: snkabraco@gmail.com vide certificate dated October 31, 2020.

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

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/ Share of Partnership
1)	Divam Industries (India) Limited	Director	-
2)	IOTA Exports Private Limited	Director	16.84%
3)	Scorpio Agrotech Private Limited	Director	27.02%
4)	SKS Securities Private Limited	Director	0.27%
5)	Shorya Business (India) Limited	Director	-
6)	Basic Mines & Minerals LLP	Partner	16.75%
7)	NMD Construction LLP	Partner	14.00%
8)	Siddhartha Texfab	Proprietorship	100.00%
9)	Shri Mahadevi Enterprises	Partner	50.00%
10)	NMD Enterprises	Partner	7.00%

#### 4.2. Information about Mr. Shorya Gattani (“Acquirer 2”)

4.2.1. Shorya Gattani, s/o Shri Naresh Kumar Gattani, aged about 26 years, is presently residing at House No. 03, Main Sector, Near NCC House, Shastri Nagar, Bhilwara-311 001, Rajasthan, India, Contact No.: +91 70735 55804, E-Mail ID: gattanishorya@gmail.com. He is an Under Graduate. His Permanent Account Number (PAN) under Indian Income Tax Act is AMYPG 5673 R. He has approximately six (6) years of experience in the areas of Textiles, Real Estate, Rubber, etc.

4.2.2. He is not part of any group.

4.2.3. As on date, Acquirer 2 does not hold any Equity Share in the Target Company. However, he has entered into a Share Purchase Agreement on November 03, 2020 to acquire a total of 36,21,279 Equity Shares representing 3.39% of the Equity Share Capital of the Target Company.

4.2.4. He has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11 B of the SEBI Act or any other regulations made under the SEBI Act.

4.2.5. The Net Worth of Acquirer 2 is ₹182.75 Lakhs (Rupees One Hundred Eighty Two Lakhs Seventy Five Thousand only) as on October 31, 2020 as certified by CA S N Kabra, Partner (Membership No. 072497) of M/s S N Kabra & Co., Chartered Accountants (FRN: 003439C) having office at 207, ‘C’ Block, Silver Mall, 8-R.N.T. Marg, Indore-452 001, Tel. No.: +91 731 2556405, E-Mail ID: snkabrac@gmail.com vide certificate dated October 31, 2020

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

Sr. No.	Name of the Entities	Designation	% of total Equity Shares held/ Share of Partnership
1)	Divam Industries (India) Limited	Additional Director	3.00%
2)	IOTA Exports Private Limited	Director	16.84%
3)	Scorpio Agrotech Private Limited	Director	11.44%
4)	SKS Securities Private Limited	Director	Nil
5)	Sandra Hotels Private Limited	Director	40.00%
6)	Shorya Business (India) Limited	Additional Director	35.12%
7)	Basic Mines & Minerals LLP	Partner	16.75%
8)	NMD Construction LLP	Partner	14.00%
9)	NMD Enterprises	Partner	7.00%

4.3. The Acquirers are Brothers.

4.4. The Acquirers will be the Promoter of the Company, after completing all the Open Offer formalities pursuant to the Regulations.

4.5. The Acquirers did not acquire any Equity Share of the Target Company in the current financial year. Further, the Acquirers did not acquire any Equity Share of the Target Company in the period of eight financial years preceding the current financial year, except Acquirer 1. Acquirer 1 and relatives of the

Acquirers have traded in the Equity Shares of the Target Company during FY 2011-2012 and FY 2012-2013, except for the proposed acquisition of 1,00,21,279 Equity Shares representing 9.37% of the Equity Share Capital/Voting Capital of the Target Company through Share Purchase Agreement. As on date, Acquirer 1 and relatives of the Acquirers do not hold any Equity Shares in the Target Company. Further, the Acquirers have collectively entered into a Share Purchase Agreement to acquire 1,00,21,279 Equity Shares representing 9.73% of the Equity Share Capital of the Target Company at a price of ₹0.35 (Paise Thirty Five only) per Equity Share.

- 4.6. The Acquirers have confirmed that they are not on the list of 'wilful defaulters' issued by bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI pursuant to Regulation 2 (1) (ze) of the Regulations.
- 4.7. The Acquirers have confirmed that they are not declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) as per Regulations 2 (1) (ja) of Regulations.
- 4.8. The Acquirers are not into any Securities related business and registered with SEBI as a Market Intermediary.
- 4.9. The entities promoted or controlled by the Acquirers as mentioned in point no. 4.1.6 and point no. 4.2.6 above are neither holding any Equity Share nor participating or acting in Concert in the Open Offer.
- 4.10. As on date, neither the Acquirers nor any entity promoted/controlled/managed by the Acquirers have any relationship with/interest in the Target Company, except for the proposed acquisition of 1,00,21,279 Equity Shares representing 9.37% of the Equity Share Capital/Voting Capital of the Target Company through Share Purchase Agreement. Further, as on date, Mrs. Ranjana Gattani, mother of the Acquirers is on the Board of the Target Company, holding position of Non-Executive Independent Director. She will recuse herself and not participate in any matter concerning or relating to the Offer including any preparatory steps leading to the Offer.
- 4.11. There are no persons Acting in Concert in relation to the Offer within the meaning of 2(1)(q)(1) of the Regulations.

## **5. BACKGROUND OF THE TARGET COMPANY-VANDANA KNITWEAR LIMITED**

- 5.1. The Target Company, bearing CIN L18101RJ1995PLC072122 (Old CIN: *L18101TG1995PLC019777*) was incorporated on March 22, 1995 in the name of 'Trendy Knitwear Limited' in the State of Andhra Pradesh pursuant to the provisions of the Companies Act, 1956. Subsequently, the name was changed to 'Vandana Knitwear Limited' and a Fresh Certificate of Incorporation consequent upon conversion was issued by the Registrar of Companies, Andhra Pradesh, on July 13, 2012. There has been no change in the name of the Company during the last three years.
- 5.2. The Registered Office is currently situated at H-585, Neelkanth Colony, Bhilwara-311 001, Rajasthan, India. The Registered Office of the Target Company was shifted from the State of Telangana to the State of Rajasthan w.e.f. October 23, 2020 and Order of the Regional Director was registered by ROC, Jaipur for change of State on November 12, 2020.
- 5.3. The Target Company is engaged in the Business of trading in Textile Products.
- 5.4. The Authorized Share Capital of the Target Company is ₹12,00,00,000 (Rupees Twelve Crores only) comprising of 12,00,00,000 (Twelve Crores only) Equity Shares of ₹1 each. The Paid-Up Equity Share Capital of the Target Company is ₹10,69,85,070 (Rupees Ten Crores Sixty Nine Lakhs Eighty Five Thousand and Seventy only) comprising of 10,69,85,070 (Ten Crores Sixty Nine Lakhs Eighty Five Thousand and Seventy only) Equity Shares of ₹1 each fully paid up.
- 5.5. The Equity Shares of the Target Company are listed on BSE Limited, Mumbai ("**BSE**") having a scrip code as 532090. The Equity Shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(j) of the Regulations. The ISIN of the Target Company is INE219M01021.

5.6. As on date, the Target Company is fully compliant with the listing requirements and there has not been any non-listing of Equity Shares on any of the Stock Exchanges. However, the Manager to the Offer has requested BSE Limited to provide information pertaining to compliance under SEBI (SAST) Regulations, 2011 made by Promoter/Promoter Group of the Target Company.

#### 5.7. Share Capital Structure:

The Equity Share Capital Structure of the Target Company is as follows:

Paid-up Shares	No. of Equity Shares/Voting Rights	% of Equity Shares/Voting Rights
Fully Paid-up Equity Shares	10,69,85,070	100.00%
Partly Paid-up Equity Shares	Nil	N.A.
Total Paid-up Equity Shares	10,69,85,070	100.00%

5.8. As of the date of this Draft Letter of Offer, there are no: (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company. Further, there is no differential pricing for the Offer. There has been no merger/de-merger or spin off in the Target Company during the past three years.

#### 5.9. Details of the Board of Directors of the Target Company:

As on the date, the Directors representing the Board of the Target Company are:

Sr. No.	Name of Director, DIN, PAN & Designation	Address	Date of Appointment	Experience in years & field	No. of Shares held in Company
1)	<b>Mr. Mukesh Gadiya</b> <i>DIN:</i> 03025764 <i>PAN:</i> ALEPG 6905 D <i>Designation:</i> Managing Director	54/A, Sector No. 2, Gandhi Nagar, Akya, Chittorgarh-312 001 Rajasthan	May 10, 2020	10 years in garment manufactur ing & trading	Nil
2)	<b>Mr. Prakhar Garg</b> <i>DIN:</i> 03281591 <i>PAN:</i> AUFPG 8716 N <i>Designation:</i> Non-Executive Independent Director	18/188, Rajendra Nagar, Bhilwara-311 001 Rajasthan	July 10, 2020	9 years in Textile, Real Estate & Mines & Minerals Industry	Nil
3)	<b>Mr. Pradeep Saremal Jain</b> <i>DIN:</i> 03363790 <i>PAN:</i> AAIPJ 7418 F <i>Designation:</i> Non-Executive Independent Director	B 101, Siddharth Building, Factory Lane, Borivili (West), Mumbai-400 092	September 30, 2010	20 years as Tax Consultant	Nil
4)	<b>Mrs. Ranjana Gattani</b> <i>DIN:</i> 00125150 <i>PAN:</i> ABBPG 0683 M	House No. 03, Main Sector, Near NCC House, Shastri Nagar, Bhilwara-311 001,	July 10, 2020	21 years in Textile, Real Estate & Rubber Industry	Nil

Sr. No.	Name of Director, DIN, PAN & Designation	Address	Date of Appointment	Experience in years & field	No. of Shares held in Company
	<i>Designation:</i> Non-Executive Independent Director	Rajasthan, India			

5.10. The key financial information of the Target Company based on the Un-Audited but Certified Financial for the period ended June 30, 2020 and Audited for the Financial Year ended March 31, 2020, March 31, 2019 and March 31, 2018 are as under:

*Profit and Loss Statement:*

(₹ in Lakhs, except EPS)

Particulars	Period ended June 30, 2020	FY 2019-2020	FY 2018-2019	FY 2017-2018
	Un-Audited	Audited	Audited	Audited
Income from Operations	-	30.40	184.26	30.47
(+) Other Income	2.03	18.49	20.09	29.57
<b>Total Income</b>	<b>2.03</b>	<b>48.89</b>	<b>204.35</b>	<b>60.03</b>
<b>Total Expenditure</b>	<b>3.75</b>	<b>47.39</b>	<b>201.54</b>	<b>50.49</b>
<b>Profit before Depreciation, Interest and Tax</b>	<b>(1.72)</b>	<b>1.49</b>	<b>2.81</b>	<b>9.54</b>
(-) Depreciation	0.21	0.73	0.29	0.29
(-) Interest and Financial Charges	-	-	-	-
(-) Exceptional Items	-	-	-	-
<b>Profit before Tax</b>	<b>(1.93)</b>	<b>0.76</b>	<b>2.53</b>	<b>9.26</b>
(-) Tax Expenses				
Current Tax	-	0.20	1.04	2.32
Deferred Tax	-	-	0.01	0.17
Income Tax for earlier years	-	-	-	3.00
<b>Profit after Tax</b>	<b>(1.93)</b>	<b>0.56</b>	<b>1.47</b>	<b>3.77</b>
<b>Profit/(Loss) for the year</b>	<b>(1.93)</b>	<b>0.56</b>	<b>1.47</b>	<b>3.77</b>

*Balance Sheet Statement:*

(₹ in Lakhs, except EPS)

Particulars	Period ended June 30, 2020	FY 2019-2020	FY 2018-2019	FY 2017-2018
	Un-Audited	Audited	Audited	Audited
<b>Sources of Funds</b>				
Paid up Equity Share Capital	1,069.85	1,069.85	1,069.85	1,069.85
Reserves & Surplus ( <i>Excluding Revaluation Reserve</i> )	40.38	42.32	41.76	40.28
(-) Miscellaneous Expenditure				
<b>Net Worth</b>	<b>1,110.23</b>	<b>1,112.17</b>	<b>1,111.61</b>	<b>1,110.14</b>
Non-Current Liabilities	-	-	5.25	-
Current Liabilities & Provisions	11.21	11.29	13.88	393.79
<b>Total</b>	<b>1,121.44</b>	<b>1,123.46</b>	<b>1,130.74</b>	<b>1,503.93</b>
<b>Uses of Funds</b>				
<b>Non-current Assets</b>				
Net Fixed Assets	6.98	259.24	424.56	242.36
Others				
Investments	331.50	82.00	-	-
Deferred Tax Assets (Net)	-	-	-	-
Other Non-Current Assets	-	-	-	-
Long-term loans and advances	-	-	-	-
<b>Current assets</b>	<b>782.97</b>	<b>782.22</b>	<b>706.17</b>	<b>1,261.57</b>
<b>Total</b>	<b>1,121.44</b>	<b>1,123.46</b>	<b>1,130.74</b>	<b>1,503.93</b>



*Other Financial Data:*

(₹ in Lakhs, except EPS)

Particulars	Period ended June 30, 2020	FY 2019- 2020	FY 2018- 2019	FY 2017- 2018
	Un-Audited	Audited	Audited	Audited
Dividend (%)	-	-	-	-
Earnings Per Share	Negative	0.0005	0.0014	0.0035

**5.11. Pre and Post-Offer Shareholding Pattern of the Target Company as on date of DLoF are as follows:**

Shareholders' Category	Equity Share Capital/Voting Capital prior to SPA and Offer		Equity Share Capital/Voting Capital agreed to be acquired which triggered off the Regulations		Equity Share Capital/Voting Rights to be acquired in the Open Offer (assuming full acceptance)		Equity Share Capital/Voting Rights after SPA and Offer	
	(A)		(B)		(C)		(D)	
	No.	%	No.	%	No.	%	No.	%
<b>1) Promoter Group</b>								
<b>a) Parties to Agreement</b>								
(i) Mr. Sanjay Babulal Rathod	34,00,000	3.18%	(34,00,000)	(3.18%)	Nil	N.A.	Nil	N.A.
(ii) Mr. Babulal Khimraj Jain	21,99,980	2.06%	(21,99,980)	(2.06%)	Nil	N.A.	Nil	N.A.
(iii) Mrs. Kusum Nilesh Mohile	14,21,299	1.33%	(14,21,299)	(1.33%)	Nil	N.A.	Nil	N.A.
(iv) Mrs. Chandadevi Babulal Jain	10,00,000	0.93%	(10,00,000)	(0.93%)	Nil	N.A.	Nil	N.A.
(v) Mr. Rathod Jain Kishore B	10,00,000	0.93%	(10,00,000)	(0.93%)	Nil	N.A.	Nil	N.A.
(vi) Mrs. Sangeeta Sanjay Rathod	10,00,000	0.93%	(10,00,000)	(0.93%)	Nil	N.A.	Nil	N.A.
<b>b) Promoters other than (a) above</b>	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
<b>Total 1 (a+b)</b>	<b>1,00,21,279</b>	<b>9.37</b>	<b>(1,00,21,279)</b>	<b>(9.37)</b>	<b>Nil</b>	<b>N.A.</b>	<b>Nil</b>	<b>N.A.</b>
<b>2) Acquirers</b>								
Siddharth Gattani	Nil	N.A.	64,00,000	5.98	5,56,32,300	52.00	6,56,53,558	61.37
Shorya Gattani	Nil	N.A.	36,21,279	3.39				
<b>Total 2</b>	<b>Nil</b>	<b>N.A.</b>	<b>1,00,21,279</b>	<b>9.37</b>	<b>5,56,32,300</b>	<b>52.00</b>	<b>6,56,53,558</b>	<b>61.37</b>
<b>3) Parties to Agreement other than (1) (a) &amp; (2)</b>	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
<b>Total 3</b>	<b>Nil</b>	<b>N.A.</b>	<b>Nil</b>	<b>N.A.</b>	<b>Nil</b>	<b>N.A.</b>	<b>Nil</b>	<b>N.A.</b>
<b>4) Public (other than parties to agreement, Acquirers &amp; PACs)</b>								
a) FIs/MFs/FIIs/Banks, SFIs (indicate names)								
b) Others	9,69,63,791	90.63	Nil	N.A.	(5,56,32,300)	(52.00)	4,13,31,491	38.63
<b>Total 4 (a+b)</b>	<b>9,69,63,791</b>	<b>90.63</b>	<b>Nil</b>	<b>N.A.</b>	<b>(5,56,32,300)</b>	<b>(52.00)</b>	<b>4,13,31,491</b>	<b>38.63</b>
<b>GRAND TOTAL (1+2+3+4)</b>	<b>10,69,85,070</b>	<b>100.00</b>	<b>Nil</b>	<b>N.A.</b>	<b>Nil</b>	<b>N.A.</b>	<b>10,69,85,070</b>	<b>100.00</b>

Note: Total Number of Public Shareholders as on September 30, 2020 is 2701.

**5.12. Details of the Compliance Officer:**

**Name** : Ms. Sangeeta Kumari Birla  
**Registered Office Address** : H-585, Neelkanth Colony, Bhilwara-311 001, Rajasthan, India  
**Contact No.** : + 91 83850 41331  
**E-Mail ID** : trendyknitwear@gmail.com

**6. OFFER PRICE AND FINANCIAL ARRANGEMENTS**

**6.1. JUSTIFICATION OF OFFER PRICE**

6.1.1. The Equity Shares of the Target Company are presently listed on BSE Ltd, Mumbai ("BSE") having a scrip code as 532090. The Equity Shares of the Target Company is frequently traded on BSE during the twelve

(12) calendar months preceding the month in which PA was made as set out under Regulation 2(1) (j) of the Regulations.

6.1.2. The annualized trading turnover of the Equity Shares of the Target Company during Twelve (12) calendar months preceding the month of PA (November 2019 to October 2020) on the Stock Exchange on which the Equity Shares of the Target Company are traded is detailed below:

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
BSE Ltd	1,61,21,518	10,69,85,070	15.07%

(Source: www.bseindia.com)

6.1.3. The Offer Price of ₹0.40 (Paise Forty only) is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations on the basis of the following:

Sr. No.	Particulars	Amount (In. ₹)
a)	Negotiated Price as per SPA	: 0.35
b)	The volume-weighted average price paid or payable for acquisition by the Acquirers, during 52 weeks preceding the date of PA	: N.A.
c)	The highest price paid or payable for any acquisition, by the Acquirers, during 26 weeks preceding the date of the PA	: N.A.
d)	The volume-weighted average market price of Equity shares of the Target Company for a period of sixty (60) trading days immediately preceding the date of PA as traded on BSE, being the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	: 0.33
e)	<b>Other Financial Parameters as at:</b>	<b>June 30, 2020 (Un-Audited)</b>
	(i) Return on Net Worth (%)	: Negative
	(ii) Book Value Per Share (₹)	: 1.04
	(iii) Earnings Per Share (₹)	: Negative

Note: The Trading data with respect to BSE has been downloaded from website of BSE i.e. www.bseindia.com.

6.1.4. Calculation of the volume-weighted average market price of the Shares for a period of sixty (60) trading days immediately preceding the date of PA as traded on BSE (as the maximum volume of trading in the Shares of the Target Company was recorded on BSE during such period) as per regulation 8(2) (d) of the Regulations is as follows:

Sr. No.	Date	Open Price	High Price	Low Price	Close Price	No. of Shares	Total Turnover (Rs.)
1)	10-Aug-20	0.32	0.32	0.31	0.31	37,500	11,925.00
2)	11-Aug-20	0.31	0.32	0.31	0.32	3,65,370	1,15,920.00
3)	12-Aug-20	0.31	0.33	0.31	0.33	94,901	31,313.00
4)	13-Aug-20	0.34	0.34	0.32	0.33	24,102	7,982.00
5)	14-Aug-20	0.34	0.34	0.32	0.32	8,57,301	2,75,045.00
6)	17-Aug-20	0.33	0.33	0.32	0.32	43,049	14,196.00
7)	18-Aug-20	0.32	0.33	0.32	0.33	46,500	15,335.00
8)	19-Aug-20	0.34	0.34	0.32	0.32	1,100	372.00
9)	20-Aug-20	0.32	0.33	0.32	0.32	30,190	9,764.00
10)	21-Aug-20	0.33	0.33	0.33	0.33	3,16,640	1,04,491.00
11)	24-Aug-20	0.33	0.34	0.33	0.33	1,30,100	42,981.00
12)	25-Aug-20	0.34	0.34	0.33	0.33	16,145	5,379.00
13)	26-Aug-20	0.34	0.34	0.33	0.33	5,000	1,670.00
14)	27-Aug-20	0.34	0.34	0.33	0.33	25,300	8,500.00
15)	28-Aug-20	0.33	0.33	0.33	0.33	510	168.00
16)	31-Aug-20	-	-	-	-	-	-
17)	01-Sep-20	0.34	0.34	0.33	0.33	7,111	2,387.00
18)	02-Sep-20	0.32	0.32	0.32	0.32	19,606	6,273.00
19)	03-Sep-20	0.31	0.31	0.31	0.31	8,00,000	2,48,000.00

Sr. No.	Date	Open Price	High Price	Low Price	Close Price	No. of Shares	Total Turnover (Rs.)
20)	04-Sep-20	0.32	0.32	0.32	0.32	2,600	832.00
21)	07-Sep-20	0.33	0.33	0.33	0.33	10,000	3,300.00
22)	08-Sep-20	0.34	0.34	0.34	0.34	21,287	7,237.00
23)	09-Sep-20	0.34	0.34	0.34	0.34	2,000	680.00
24)	10-Sep-20	-	-	-	-	-	-
25)	11-Sep-20	0.34	0.34	0.34	0.34	36,001	12,240.00
26)	14-Sep-20	0.35	0.35	0.33	0.33	15,005	4,951.00
27)	15-Sep-20	-	-	-	-	-	-
28)	16-Sep-20	0.33	0.33	0.33	0.33	201	66.00
29)	17-Sep-20	0.33	0.34	0.33	0.34	9,678	3,194.00
30)	18-Sep-20	0.35	0.35	0.35	0.35	5,000	1,750.00
31)	21-Sep-20	0.36	0.36	0.34	0.34	2,142	750.00
32)	22-Sep-20	0.34	0.35	0.33	0.35	62,343	21,714.00
33)	23-Sep-20	0.36	0.36	0.36	0.36	12,600	4,536.00
34)	24-Sep-20	0.37	0.37	0.35	0.37	41,711	15,076.00
35)	25-Sep-20	0.38	0.38	0.38	0.38	3,124	1,187.00
36)	28-Sep-20	0.39	0.39	0.39	0.39	11,210	4,371.00
37)	29-Sep-20	0.40	0.40	0.38	0.38	30,844	12,287.00
38)	30-Sep-20	0.38	0.38	0.37	0.37	11,102	4,110.00
39)	01-Oct-20	0.38	0.38	0.36	0.38	3,111	1,182.00
40)	05-Oct-20	0.38	0.39	0.38	0.39	9,131	3,503.00
41)	06-Oct-20	0.39	0.39	0.39	0.39	1	-
42)	07-Oct-20	-	-	-	-	-	-
43)	08-Oct-20	0.40	0.40	0.38	0.38	1,002	380.00
44)	09-Oct-20	0.37	0.37	0.37	0.37	120	44.00
45)	12-Oct-20	0.37	0.37	0.37	0.37	4,971	1,839.00
46)	13-Oct-20	0.36	0.38	0.36	0.36	1,15,160	43,697.00
47)	14-Oct-20	0.35	0.35	0.35	0.35	87,100	30,485.00
48)	15-Oct-20	0.35	0.35	0.35	0.35	4,85,100	1,69,785.00
49)	16-Oct-20	0.35	0.35	0.34	0.35	9,545	3,327.00
50)	19-Oct-20	0.35	0.35	0.35	0.35	14,549	5,092.00
51)	20-Oct-20	0.35	0.36	0.35	0.35	83,000	29,060.00
52)	21-Oct-20	0.36	0.36	0.35	0.35	71,000	24,870.00
53)	22-Oct-20	0.34	0.35	0.34	0.35	60,011	21,003.00
54)	23-Oct-20	0.35	0.35	0.34	0.34	2,58,989	88,556.00
55)	26-Oct-20	0.33	0.35	0.33	0.33	5,74,698	1,92,170.00
56)	27-Oct-20	0.33	0.33	0.33	0.33	5,575	1,839.00
57)	28-Oct-20	0.33	0.33	0.33	0.33	422	139.00
58)	29-Oct-20	0.33	0.33	0.33	0.33	7,000	2,310.00
59)	30-Oct-20	0.34	0.34	0.34	0.34	1,07,500	36,550.00
60)	02-Nov-20	0.35	0.35	0.34	0.34	3,792	1,304.00
						<b>49,99,050</b>	<b>16,57,117.00</b>
							<b>0.33</b>

6.1.5. In view of the parameters considered and presented in the table above and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹0.40 (Paise Forty only) per Equity Share is justified in terms of Regulation 8 (2) of the Regulations.

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

6.1.7. In the event of further acquisition of Equity Shares of the Target Company by the Acquirers during the Offer Period, at a price higher than the Offer Price, the Offer Price will stand revised equal to or more than the highest price paid for such acquisition in terms of regulation 8(8) of the Regulations. However, the Acquirers will not be acquiring any Equity Shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

- 6.1.8.If the Acquirers acquire Equity Shares of the Target Company during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, they will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the 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 Equity Shares whether by way of bulk deals, block deals or in any other form.
- 6.1.9.As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirers are permitted to revise the Offer Price upward at any time prior to commencement of the last one (1) working day prior to commencement of the Tendering Period i.e. December 24, 2020 (Thursday) in accordance with Regulation 18(4) of the Regulations. If there is any such upward revision in the Offer Price by the Acquirers or in the case of withdrawal of Offer, the same would be informed by way of the Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirers for all the shares validly tendered in the Offer.
- 6.1.10. In the event that the number of Equity Shares validly tendered by the Public Shareholders of the Target Company under the Offer is higher than the Offer Size, the Equity Shares received from the public shareholders shall be accepted on a proportionate basis, in consultation with the Manager to the Offer.

## **6.2. DETAILS OF FIRM FINANCIAL ARRANGEMENTS**

- 6.2.1.The total funds required for the implementation of the Offer (assuming full acceptance), i.e., for the acquisition of upto 5,56,32,300 fully paid up Equity Shares of Face Value ₹1 each at a price of ₹0.40 (Paise Forty only) per Equity Share is ₹2,22,52,920 (Rupees Two Crores Twenty Two Lakhs Fifty Two Thousand and Nine Hundred Twenty only) (“**Maximum Consideration**”).
- 6.2.2.In accordance with Regulation 17(4) of Regulations, the Acquirers have opened a Cash Escrow Account under the name and style of “**VKL-OPEN OFFER-CASH ESCROW ACCOUNT**” (“**Escrow Account**”) with IndusInd Bank Limited (“**Escrow Banker**”) bearing account number 250557784907 and deposited an amount of ₹60.00 Lakhs (Rupees Sixty Lakhs only) on November 05, 2020 (Thursday), in cash, being 26.96% of the Maximum Consideration payable. The Acquirers have authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the Regulations. The cash deposit in the Escrow Account has been confirmed by the Escrow Banker vide acknowledgment dated November 05, 2020.
- 6.2.3.The Acquirers have empowered the Manager to the Offer i.e. Mark Corporate Advisors Private Limited to operate and to realize the value of the Escrow Account in terms of the Regulations.
- 6.2.4.The Acquirers have adequate financial resources and has made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the Regulations. The Open Offer obligation shall be met by the Acquirers through their own resources and no borrowings from any bank and/or financial institution are envisaged. CA S N Kabra, Partner (Membership No. 072497) of M/s S N Kabra & Co., Chartered Accountants (FRN: 003439C) having office at 207, ‘C’ Block, Silver Mall, 8-R.N.T. Marg, Indore-452 001, Tel. No.: +91 731 2556405, E-Mail ID: snkabraco@gmail.com has certified vide certificate dated August 05, 2020 that sufficient resources are available with the Acquirers for fulfilling the obligations under this ‘Offer’ in full.
- 6.2.5.Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers and to implement the offer in accordance with the Regulations. Further, the Manager to the Offer confirms that the funds/money are in place to fulfil the Open Offer obligations.
- 6.2.6.In case of any upward revision in the Offer Price or the Offer Size, the value 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 via cash in the Escrow Account by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

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

### **7.1. OPERATIONAL TERMS AND CONDITIONS**

- 7.1.1. This Offer is being made by the Acquirers to (i) all the Equity Shareholders, whose names appear in the register of members of the Target Company as on the Identified Date i.e. December 14, 2020 (Monday); (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date i.e. December 14, 2020 (Monday); and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer, i.e. January 11, 2021 (Monday), but who are not the registered Equity Shareholders.
- 7.1.2. This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.
- 7.1.3. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
- 7.1.4. Eligible persons can write to the Registrar/Manager to the Offer requesting for the Letter of Offer. Alternatively, the Letter of Offer would also be available on the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in).
- 7.1.5. Neither the Acquirers, nor the Manager to the Offer or the Registrar to the Offer accepts any responsibilities in any manner for any loss of Equity Share Certificate(s), Share transfer forms and any other Offer acceptance documents, etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.1.6. 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 bidding of such Equity Shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Offer.
- 7.1.7. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.1.8. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tendered their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

### **7.2. LOCKED-IN SHARES**

As on date, the Target Company does not have any Equity Shares under lock-in.

### **7.3. ELIGIBILITY FOR ACCEPTING THE OFFER**

- 7.3.1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date i.e. December 14, 2020 (Monday).
- 7.3.2. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Draft Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.3.3. The Public Announcement ('PA'), the Detailed Public Statement ('DPS') and the Letter of Offer ('LoF') shall also be available on the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in). In case of non-receipt of the Letter of Offer, all Equity Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer from the website of SEBI for applying in the Offer.

- 7.3.4. By accepting this offer, the Public Shareholder(s) confirm that they are not Persons Acting in Concert with the Acquirers for the purpose of this Offer.
- 7.3.5. The acceptance of this Offer by the Equity Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever and should be received by the Registrar to the Offer at the address mentioned in this DLoF on or before the closure of the Tendering Period i.e. January 11, 2021 (Monday).
- 7.3.6. The Acquirers reserve the right to revise the Offer Price and/or the Offer Size upwards at any time prior to commencement of the last one (1) working day prior to commencement of the Tendering Period i.e. December 24, 2020 (Thursday), in accordance with the Regulations and the revision, if any, in the Offer Price would be announced in the Newspapers. The Acquirers would pay such revised price for all the shares validly tendered during the Tendering Period and accepted under the Offer in accordance with the terms of the Letter of Offer.
- 7.3.7. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirers in consultation with the Manager to the Offer.
- 7.3.8. SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 has clarified that shareholders holding securities in physical form are also allowed to tender shares in the Open Offers. However, such tendering shall be as per the provisions of the Regulations.

#### **7.4. STATUTORY APPROVALS**

- 7.4.1. As on date, to the best of the knowledge of the Acquirers, there are no Statutory Approvals required by the Acquirers to complete this Offer. In case, if any Statutory Approval(s) are required or become applicable at a later date before the closure of the Tendering Period, the Offer shall be subject to the receipt of such Statutory Approval(s). The Acquirers shall make the necessary applications for such Statutory Approvals. In the event of non-receipt of any of such Statutory Approvals which may become applicable for the purchase of the Equity Shares under this Offer, the Acquirers shall have the right to withdraw the Offer in accordance with the provisions of Regulation 23(1) of the Regulations.

In the event of withdrawal of this Offer, for reasons outside the reasonable control of the Acquirers, a Public Announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which this DPS has been published and copy of such Public Announcement will also be sent to SEBI, Stock Exchange(s) and to the Target Company at its Registered Office.

- 7.4.2. In case of delay in receipt of any Statutory Approval(s), pursuant to Regulations 18(11) of the Regulations, SEBI may, if satisfied, that delay in receipt of requisite Statutory Approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, may grant an extension of time for the purpose of the completion of this Offer, subject to Acquirers agreeing to pay interest for the delayed period, provided where the Statutory Approval(s) extend to some but not all Equity Shareholders, the Acquirers has the option to make payment to such Shareholders in respect of whom no Statutory Approval(s) are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirers in obtaining any Statutory Approval(s) in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with pursuant to Regulation 17(10)(e) of the Regulations.
- 7.4.3. NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, an approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity), and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs, FPIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals, along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirers reserves the right to reject such Equity Shares tendered pursuant to this Offer.
- 7.4.4. No approval is required from any bank or financial institutions for this Offer.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

- 8.1. The Acquirers have appointed Bigshare Services Private Limited, as the Registrar to the Offer.
- 8.2. The Registrar would be accepting the documents by Hand Delivery/Regd. Post/Speed Post/Courier at the following specified centre:

Name & Address	Contact Person	Mode of Delivery
<b>Bigshare Services Private Limited</b> CIN: U99999MH1994PTC076534 1 <sup>st</sup> Floor, Bharat Tin works Building, Opp. Vasant Oasis, Makwana Road, Marol Naka, Andheri East, Mumbai-400 059. Maharashtra. India. <b>Tel. No.:</b> +91 22 62638200 <b>E-Mail ID:</b> openoffer@bigshareonline.com <b>Investor Grievance E-Mail ID:</b> investor@bigshareonline.com	Mr. Arvind Tandel	Hand Delivery / Registered Post / Speed Post / Courier

- 8.3. The Target Company is presently having connectivity with Central Depository Services (India) Limited ('CDSL') and National Securities Depositories Limited ('NSDL').
- 8.4. This Open Offer will be implemented by the Acquirers through Stock Exchange Mechanism made available by BSE Limited, Mumbai ('BSE') in the form of a separate window ('Acquisition Window') as provided under the SEBI (SAST) Regulations, 2011 and SEBI Circular No. CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 as amended via Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and notices/guidelines issued by BSE and the Clearing Corporation in relation to the mechanism/process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time.
- 8.5. BSE Limited, Mumbai ('BSE') shall be the Stock Exchange for the purpose of tendering the Equity shares in the Open Offer.
- 8.6. The Acquirers have appointed Sparkle Securities Solutions Private Limited ('Buying Broker') for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made.

The Contact Details of the Buying Broker are mentioned below:

**Name of the Broker** : Sparkle Securities Solutions Private Limited  
**Address** : E-501, Remi Bizcourt, Off Veera Desai Road, Andheri (W), Mumbai-400 053  
**Tel No.** : +91 22 6759 2034  
**Contact Person** : Ms. Kunjal Anjaria

- 8.7. All the Shareholders who desire to tender their Equity Shares under the Open Offer should consult with their respective depository participants and their respective Stock Brokers ('Selling Broker') well in advance to understand the process and methodology in relation to tendering of Equity Shares through the Designated Stock Exchange.
- 8.8. During the Tendering Period, the tender of the Equity Shares by the Equity Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.
- 8.9. Separate Acquisition window will be provided by the Stock Exchange to facilitate placing of Sell Orders. The Selling Members can enter Orders for Demat Shares as well as Physical Shares.
- 8.10. The cumulative quantity tendered shall be updated on the website of the Designated Stock Exchange throughout the trading session at specific intervals by the Stock Exchange during tendering period.
- 8.11. Procedure for tendering Equity Shares in Demat Form:**
- 8.11.1. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Stock Broker/Selling Member indicating details of Shares they wish to tender in the Open Offer.

- 8.11.2. The Equity Shareholders are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Indian Clearing Corporation Limited (hereinafter referred to as 'Clearing Corporation'). Such Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf and the same shall be validated at the time of order entry.
- 8.11.3. Shareholders will have to submit Delivery Instruction Slips ('DIS') duly filled in specifying market type as "Open Offer" and execution date along with other details to their respective broker so that Equity Shares can be tendered in Open Offer.
- 8.11.4. For Custodian participant order for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
- 8.11.5. Upon placing the bid, the Seller Member(s) shall provide Transaction Registration Slip ("TRS") generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.
- 8.11.6. In case of receipt of Equity Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted.
- 8.11.7. The Eligible Persons will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to pro-rata acceptance in the Open Offer.

#### **8.12. Procedure for tendering Equity Shares held in Physical Form:**

- 8.12.1. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below:
- (a) Original share certificate(s)
  - (b) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
  - (c) Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all Transferors)
  - (d) Any other relevant document such as Power of Attorney, corporate authorization (including Board Resolution/Specimen Signature)
  - (e) Self-attested copy of address proof such as valid Aadhar Card, Voter ID, Passport, etc.
- 8.12.2. The Seller Member should place bids on the Exchange Platform with relevant details as mentioned on Physical Share Certificate(s). The Seller Member(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No., Dist. Nos., No. of shares, etc.
- 8.12.3. The Seller Member/Public Shareholder must deliver the Share Certificates & other requisite documents along with TRS to the RTA. Physical Share Certificates to reach RTA within two (2) days of bidding by Seller Member.
- 8.12.4. Shareholders holding Physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- 8.12.5. In case, any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closing Date.



#### 8.12.6. Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

In the event that the number of Equity Shares (including demat shares, physical) validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares offered, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

#### 8.13. Procedure for tendering the shares in case of non-receipt of Letter of Offer:

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.

*In case the Equity Shares are in dematerialised form:*

An Eligible Person may participate in the Offer by approaching Stock Broker/Selling Member and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer.

*In case the Equity Shares are in Physical form:*

An Eligible Persons may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, DPS and the Letter of Offer. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in this Letter of Offer) should reach the Registrar of the Company before 5:00 PM on the Closing Date. If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer.

**In case of non-receipt of the Letter of Offer, such Equity Shareholders of the Target Company may download the same from the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.**

#### 8.14. Settlement Process

- 8.14.1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the account of Clearing Corporation.
- 8.14.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 8.14.3. The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Equity Shareholders will receive funds pay-out directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Equity Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Brokers' settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.

- 8.14.4. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 8.14.5. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Equity Shareholders directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new consolidated Share Certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Target Company are less than the Equity Shares tendered in the Open Offer by the Equity Shareholders holding Equity Shares in the physical form.
- 8.14.6. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the escrow account which will be opened by the Acquirers.
- 8.14.7. Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholders directly by Registrar to the Offer.
- 8.14.8. Shareholders who intend to participate in the Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction) . The consideration received by the selling Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accepts no responsibility to bear or pay such additional cost, charges and expenses((including brokerage) incurred solely by the Selling Shareholder.
- 8.15.** Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'No Objection Certificate' from lenders is attached.
- 8.16.** The Letter of Offer would also be available on the website of i.e. [www.sebi.gov.in](http://www.sebi.gov.in).
- 8.17.** The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

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

- 8.18.1. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 8.18.2. For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds pay-out to respective Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction are rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.
- 8.18.3. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder/Selling Broker/Custodian participant will receive funds pay-out in their settlement bank account.
- 8.18.4. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder/Selling Broker(s)/Custodians as per secondary market pay out mechanism.
- 8.18.5. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage)

and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

- 8.18.6. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the Regulations.

## 9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders of the Target Company at the office of the Manager to the Offer, Mark Corporate Advisors Private Limited at 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off Western Express Highway, Vile Parle (East), Mumbai-400 057, on any day (except Saturdays, Sundays and Public Holidays) between 10.30 AM to 2.00 PM from the Date of Opening of the Offer till the Date of Closure of the Offer:

- 1) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- 2) Un-Audited but Certified Financials for the period ended June 30, 2020.
- 3) Audited Financials for the Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018 of the Target Company.
- 4) Certificate dated October 31, 2020, issued by Mr. S N Kabra, Chartered Accountant (Membership No. 072497), certifying the Net worth of Acquirer 1 as on October 31, 2020.
- 5) Certificate dated October 31, 2020, issued by Mr. S N Kabra, Chartered Accountant (Membership No. 072497), certifying the Net worth of Acquirer 2 as on October 31, 2020
- 6) Certificate dated November 03, 2020, issued by Mr. S N Kabra, Chartered Accountant (Membership No. 072497), certifying that the Acquirers has firm and adequate financial resources to meet the financial obligations under the Open Offer.
- 7) Memorandum of Understanding between Lead Manager i.e. Mark Corporate Advisors Private Limited and the Acquirers.
- 8) Share Purchase Agreement ('SPA') entered between the Acquirers and the Promoters/Sellers on November 03, 2020.
- 9) Acknowledgement from IndusInd Bank Limited dated November 05, 2020 confirming the balance of ₹60.00 Lakhs in the Cash Escrow Account.
- 10) Due Diligence Certificate dated November 17, 2020 submitted to SEBI by Mark Corporate Advisors Private Limited, Manager to the Offer.
- 11) Undertaking from the Acquirers for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all the Shareholders of the Target Company whose applications are accepted in the Open Offer.
- 12) Undertaking from the Acquirers with regard to Responsibility under Regulation 2(o) and Regulation 7(4) of the Regulations.
- 13) Copies of the Public Announcement ('PA') dated November 03, 2020 (Tuesday) and a published copy of Detailed Public Statement ('DPS') which appeared in the newspapers on November 10, 2020 (Tuesday).
- 14) A copy of the Recommendations to be published on [•] made by the Board of Independent Directors of the Target Company as required in terms of Regulation 26(7) of the Regulations.
- 15) Copy of the Observation Letter no [•] dated [•] issued by SEBI.

## **10. DECLARATION BY THE ACQUIRERS**

The Acquirers, accepts full responsibility, for the information contained in this Letter of Offer and also for ensuring the compliance with the obligations of the Acquirers as laid down in the Regulations.

We, the Acquirers, has made all reasonable inquiries, accept responsibility and confirm that this Draft Letter of Offer is in compliance with the Regulations, and that it 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 are 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.

The Manager to the Offer hereby states that the persons signing this Draft Letter of Offer are Acquirers:

**Sd/-**

**Siddharth Gattani**  
**(“Acquirer 1”)**

**Sd/-**

**Shorya Gattani**  
**(“Acquirer 2”)**

**Date** : November 17, 2020  
**Place** : Bhilwara