

DETAILED PUBLIC STATEMENT

IN TERMS OF REGULATION 15(2), READ WITH REGULATION 13(4) AND REGULATION 14(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, TO THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF

BHAGWANDAS METALS LIMITED

CIN: L28931TN1982PLC009418 • Registered Office: New No. 54, (Old No. 61), 1st Floor, Sembudoss Street, Chennai – 600 001 • Tel: 044 – 2523 3049 / 4211 3801 Email: bml@vsnl.net Website: www.metal-bml.com

OPEN OFFER ("OFFER") FOR ACQUISITION OF UPTO 9,48,688 (NINE LAKHS FORTY EIGHT THOUSAND SIX HUNDRED AND EIGHTY EIGHT) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- (RUPEES TEN ONLY) EACH ("EQUITY SHARES"), CONSTITUTING 26% OF THE TOTAL SHARE CAPITAL AND 26.014% OF THE VOTING CAPITAL (AS DEFINED BELOW) OF BHAGWANDAS METALS LIMITED ("BML" OR "TARGET COMPANY") ON A FULLY DILUTED BASIS, AS OF THE TENTH WORKING DAY FROM THE CLOSURE OF THE TENDERING PERIOD OF THE OPEN OFFER, FROM THE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY FOR CASH AT A PRICE OF ₹ 21/- (INDIAN RUPEES TWENTY ONE ONLY) PER EQUITY SHARE BY AJAY NARENDRABHAI CHAUDHARI (ACQUIRER 1), ASHISH JASHWANTHAI DESAI (ACQUIRER 2), MITA ASHISH DESAI (ACQUIRER 3) AND ASHISHBHAI JASHWANTHAI DESAI (HUF) THROUGH ITS KARTA ASHISH JASHWANTHAI DESAI (ACQUIRER 4) (HEREINAFTER COLLECTIVELY REFERRED TO AS "ACQUIRERS").

THE AMOUNT OF ₹ 10/- PER SHARE REMAINING UNPAID ON 3,900 EQUITY SHARES (OF WHICH ₹ 5/- PER SHARE IS TOWARDS FACE VALUE AND ₹ 5/- PER SHARE IS TOWARDS SHARE PREMIUM) IF ANY TENDERED IN THE OFFER SHALL BE ADJUSTED AGAINST THE OFFER PRICE OF ₹ 21/- PER SHARE AND THE BALANCE AMOUNT OF ₹ 11/- PER SHARE ALONE SHALL BE PAID TO SUCH SHAREHOLDERS WHO MAY TENDER THEIR PARTLY PAID UP SHARES IN THE OPEN OFFER.

This Detailed Public Statement ("DPS") is being issued by Chartered Finance Management Limited, the Manager to the Offer ("Manager"), for and on behalf of the Acquirers in compliance with Regulation 3(1) and Regulation 4 read with Regulations 13(4), 14(3), 15(2) and other applicable regulations 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 February 1, 2018. The PA was filed with the Securities and Exchange Board of India ("SEBI") and sent to the Target Company at its registered office by way of letter dated February 1, 2018 in terms of Regulation 14(2) of the Takeover Regulations.

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

"Identified Date" shall mean the date falling on the 10th working day prior to the commencement of the tendering period, for the purpose of determining the Public Shareholders to whom the Letter of Offer (the "Letter of Offer" or "LoF") in relation to this Offer shall be sent.

"Public Shareholders" shall mean all the equity shareholders of the Target Company excluding (i) the shareholders forming a part of the promoter/promoter group of the Target Company, and (ii) parties to the Share Purchase Agreement ("SPA") "Equity Shares" or "Share Capital" shall mean the fully paid-up equity shares of face value of ₹10/- each of the Target Company.

"Voting Capital" shall mean the equity shares of 36,46,850 comprising of 36,44,900 fully paid up equity shares of ₹ 10/- each and 3,900 Equity Shares of ₹ 10/- each paid to the extent of ₹ 5/- per share paid-up.

I. ACQUIRERS, SELLERS, TARGET COMPANY AND OFFER

INFORMATION ABOUT THE ACQUIRERS

1. AJAY NARENDRABHAI CHAUDHARI ("ACQUIRER 1")

(a) Ajay Narendrabhai Chaudhari, (hereinafter referred to as "Acquirer 1") is an Indian National, aged 38 years, having PAN Number ADWPC6473A, having his address at 3-B, Pragatinagar Society, Near Pursharthnagar, Nagapur, Mahesana, Nagapur (Part), Mahesana – 384001, Gujarat, India. His mobile Number is (+91) 98250 97000 and his email id is pradhin@gmail.com.

(b) Ajay Narendrabhai Chaudhari is an undergraduate by qualification and he is having experience of 13 years in the field of trading of dairy products.

(c) Ajay Narendrabhai Chaudhari has not promoted any other venture except a proprietary concern in the name of "Dudhsagar Marketing" which is in the business of trading in dairy products.

(d) Acquirer 1 has confirmed that he is not categorized as a "Willful Defaulter" in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011. He has further confirmed that he and his proprietary concern are not appearing in the 'willful defaulters' list of the Reserve Bank of India and is not debared by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.

(e) Except for the shares proposed to be acquired under the Share Purchase Agreement, Acquirer 1 does not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel.

(f) The Networth of Acquirer 1 as on December 25, 2017 is ₹ 4,80,02,692/- (Indian Rupees Four Crore Eighty Lakhs Two Thousand Six Hundred Ninety Two Only) and the same is certified by Malav J. Ajmera, Chartered Accountant, Partner, ASA & Associates LLP having its office at A/1, Second Floor, Safal Prottaire, Corporate Road, Pralahdnagar, Ahmedabad - 380015 (Membership No. 114351; Firm Registration No.: 009571N) vide his certificate dated 27th December 2017. Acquirer 1 has sufficient liquid funds as on date to fulfill his monetary obligations under this Open Offer.

(h) 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.

(i) Acquirer 1 is not part of any group.

(j) Acquirer 1 has not held and does not hold any Equity Shares of the Target Company as on the date of this DPS. Therefore the provisions of chapter V of the SEBI (SAST) Regulations, 2011 and provisions of chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto are not applicable as far as the holding of Acquirer 1 is concerned.

(k) Acquirer 1 is not related to Acquirer 2, Acquirer 3 and Acquirer 4.

2. ASHISH JASHWANTHAI DESAI ("ACQUIRER 2")

(a) Ashish Jashwanthai Desai, (hereinafter referred to as "Acquirer 2") is an Indian National aged 54 years having PAN Number ACPUD9673J having his address at B No. 12, Rivera 30 Bungalows, Opp. Shivalk Arcade, Near Auda Garden, Pralahdnagar Satellite, Ahmedabad – 380 015. His mobile number is (+91) 98796 03050 and his email id is nirmansschool_panchwati@yahoo.com.

(b) Ashish Jashwanthai Desai is a M.D. (Ped.) by qualification and has experience of 20 years in the field of running an educational institute in the name of Nirman High School at Panchavati Circle, Near Saraswat Bank, C.G. Road, Ellisbridge, Ahmedabad, Gujarat 380015.

(c) Ashish Jashwanthai Desai has not promoted any other venture except Nirman High School which is in the business of education.

(d) Acquirer 2 has confirmed that he is not categorized as a "Willful Defaulter" in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011. His name does not appear in the "willful defaulters" list of the Reserve Bank of India and is not debared by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.

(e) Except for the shares proposed to be acquired under the Share Purchase Agreement, Acquirer 2 does not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel.

(f) Acquirer 2 does not hold directorships in any company, including a listed company.

(g) The Networth of Acquirer 2 as on December 28, 2017 is ₹ 9,16,43,108.25 (Indian Rupees Nine Crore Sixteen Lakhs Forty Three Thousand One Hundred and Eight and Paise Twenty Five Only) and the same is certified by Ganesh S. Divatia, Chartered Accountant, Proprietor, Shamik J. Divatia & Co. having its office at 10-11, 3rd Floor, Sahayoga Commercial Centre, Opp. Dindal Tower, Lal Darwaja, Ahmedabad – 380 001 (Membership No. 035498; Registration No. 109880W) vide his certificate dated December 28, 2017. Acquirer 2 has sufficient liquid funds as on date to fulfill his monetary obligations under this Open Offer.

(h) Acquirer 2 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.

(i) Acquirer 2 is not part of any group.

(j) Acquirer 2 has not held and does not hold any Equity Shares of the Target Company as on the date of this DPS. Therefore, the provisions of chapter V of the SEBI (SAST) Regulations, 2011 and provisions of chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto are not applicable as far as the holding of Acquirer 2 is concerned.

(k) Acquirer 2 is the husband of Acquirer 3 and Acquirer 2 is the Karta of Acquirer 4. Acquirer 2 is not related to Acquirer 1.

3. MITA ASHISH DESAI ("ACQUIRER 3")

(a) Mita Ashish Desai, (hereinafter referred to as "Acquirer 3") is an Indian National aged 52 years having PAN Number AATPD2827P and resides at B No. 12, Rivera 30 Bungalows, Opp. Shivalk Arcade, Near Auda Garden, Pralahdnagar Satellite, Ahmedabad – 380 015. Her mobile number is (+91) 98258 63764 and her email id is nirmansschool_panchwati@yahoo.com.

(b) Acquirer 3 is a BDS by qualification and is having experience of 20 years in the field of running an educational institute in the name of Nirman High School at Panchavati Circle, Near Saraswat Bank, C.G. Road, Ellisbridge, Ahmedabad, Gujarat 380015.

(c) Acquirer 3 has not promoted any other venture except Nirman High School which is in the business of education.

(d) Acquirer 3 has confirmed that she is not categorized as a "Willful Defaulter" in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011. She has further confirmed that her name does not appear in "willful defaulters" list of the Reserve Bank of India and is not debared by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.

(e) Except for the shares proposed to be acquired under the Share Purchase Agreement, Acquirer 3 does not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel.

(f) Acquirer 3 does not hold directorships in any company, including a listed company.

(g) The Networth of Acquirer 3 as on December 19, 2017 is ₹ 5,12,46,650/- (Indian Rupees Five Crore Twelve Lakhs Forty Six thousand Six Hundred and Fifty Only) and the same is certified by Ganesh S. Divatia, Chartered Accountant, Proprietor, Shamik J. Divatia & Co. having its office at 10-11, 3rd Floor, Sahayoga Commercial Centre, Opp. Dindal Tower, Lal Darwaja, Ahmedabad – 380 001 (Membership No. 035498; Registration No. 109880W) vide his certificate dated December 19, 2017. Acquirer 3 has sufficient liquid funds as on date to fulfill her monetary obligations under this Open Offer.

(h) Acquirer 3 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.

(i) Acquirer 3 is not part of any group.

(j) Acquirer 3 has not held and does not hold any Equity Shares of the Company as on the date of this DPS. Therefore the provisions of chapter V of the SEBI (SAST) Regulations, 2011 and provisions of chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto are not applicable as far as the holding of Acquirer 3 is concerned.

(k) Acquirer 3 is the wife of Acquirer 2. Acquirer 3 is not related to Acquirer 1.

4. ASHISHBHAI JASHWANTHAI DESAI HUF ("ACQUIRER 4")

(a) Ashishbhai Jashwanthai Desai HUF, (hereinafter referred to as "Acquirer 4") having PAN Number AAHA5304B has its address at B No. 12, Rivera 30 Bungalows, Opp Shivalk Arcade, Near Auda Garden, Pralahdnagar Satellite, Ahmedabad – 380 015. The Karta of Ashishbhai Jashwanthai Desai HUF is Ashish Jashwanthai Desai whose mobile number is (+91) 98796 03050 and his email id is nirmansschool_panchwati@yahoo.com.

(b) Ashish Jashwanthai Desai, the Karta is aged 54 years, is a M.D. (Ped.) by qualification having experience of 20 years in the field of running an educational institute in the name of Nirman High School at Panchavati Circle, Near Saraswat Bank, C.G. Road, Ellisbridge, Ahmedabad, Gujarat 380015.

(c) Ashish Jashwanthai Desai, the Karta of Acquirer 4 has not promoted any other venture except Nirman High School which is in the business of education.

(d) Acquirer 4 has confirmed that it or its Karta is not categorized as a "Willful Defaulter" in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011. It has further confirmed that the HUF or its Karta are not appearing in the "willful defaulters" list of the Reserve Bank of India and is not debared by SEBI from accessing the capital markets or from dealing in securities in terms of the provisions of Section 11B of the SEBI Act, 1992 or under any other Regulation of the SEBI Act, 1992.

(e) Except for the shares proposed to be acquired under the Share Purchase Agreement, Acquirer 4 or its Karta do not have any interest or relationship with the target company or its promoters, directors or its Key Managerial Personnel.

(f) The Karta of Acquirer 4 does not hold directorships in any company, including a listed company.

(g) The Networth of Acquirer 4 as on January 5, 2018 is ₹ 10,07,68,232/- (Indian Rupees Ten Crore Seven Lakhs Sixty Eight Thousand Two Hundred Thirty Two Only) and the same is certified by Ganesh S. Divatia, Chartered Accountant, Proprietor, Shamik J. Divatia & Co. having its office at 10-11, 3rd Floor, Sahayoga Commercial Centre, Opp. Dindal Tower, Lal Darwaja, Ahmedabad – 380 001 (Membership No. 035498; Registration No.: 109880W) vide his certificate dated January 5, 2018. Acquirer 4 has sufficient liquid funds as on date to fulfill its monetary obligations under this Open Offer.

(h) Acquirer 4 undertakes not to sell the equity shares of the Target Company held by it during the "Offer Period" in terms of Regulation 25(4) of the Takeover Regulations.

(i) Acquirer 4 is not part of any group.

(j) Acquirer 4 has not held and does not hold any Equity Shares of the Company as on the date of this DPS. Therefore, the provisions of chapter V of the SEBI (SAST) Regulations, 2011 and provisions of chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto are not applicable as far as the holding of Acquirer 4 is concerned.

(k) Acquirer 2 is the Karta of Acquirer 4 and Acquirer 4 is not related to Acquirer 1.

5. INFORMATION ABOUT THE SELLERS

5.1 The Acquirers have entered into a Share Purchase Agreement ("SPA") dated February 1, 2018, to acquire in the aggregate 18,97,376 Equity Shares ("Sale Shares") constituting 52.00% of the total Equity Capital and 52.03% of the Voting Capital of the Target Company with the following persons forming the Promoter and Promoter Group of the Target Company, (collectively referred to as the "Sellers") at a price of ₹ 21/- per Equity Share ("Negotiated Price"):

Sr. No.	Name of the Sellers	Address	Whether part of Promoter and Promoter Group	Details of shares/voting rights held by the Sellers*			
				Pre-Transaction	Post Transaction	Number	%
1.	Govind Prasad	New No: F 66, Old No F 42, Anna Nagar (East) Chennai-600102	Yes	6,94,977	19.05	-	-
2.	Nand Kishore Sonthalia	New No: F 66, Old No F 42, Anna Nagar (East) Chennai-600102	Yes	4,28,883	11.75	-	-
3.	Gita Agarwal	New No: F 66, Old No F 42, Anna Nagar (East) Chennai-600102	Yes	7,08,234	19.41	-	-
4.	Bobby Sonthalia	New No: F 66, Old No F 42, Anna Nagar (East) Chennai-600102	Yes	3,22,542	8.84	2,57,260	7.05
	Total			21,54,636	59.05	2,57,260	7.05

*The total issued capital of the company has been considered to get the percentage of the pre and post transaction
5.2 Accordingly, upon the completion of the sale and purchase of the Sale Shares (as defined above) under the SPA (as defined above), Sellers shall cease to be the Promoters of Target Company and relinquish the control in the management

of the Target Company in favor of the Acquirers. The Acquirers will acquire control of the Target Company, and be classified as "Promoters" subject to the approval of the shareholders of the Company by way of a special resolution in accordance with the provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations"). The reclassification shall also be subject to the compliance of the conditions specified in Regulation 31A of the SEBI LODR Regulations, being more specifically, that the exiting promoters and persons acting in concert with them shall not hold more than ten per cent of the paid-up equity capital of the Company, they shall not have any special rights through formal or informal arrangements and they or their relatives shall not act as key managerial personnel for a period of more than three years from the date of shareholders' approval.

5.3 None of the Sellers as mentioned above have 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.

6. INFORMATION ABOUT THE TARGET COMPANY

BHAGWANDAS METALS LIMITED ("Target Company")
6.1 The Target Company is incorporated on June 03, 1982 under the Companies Act 1956 as Bhagwandas Metals Limited. There has been no change in the name of the company since incorporation. The Corporate Identity Number of the Target Company is **L28931TN1982PLC009418**.

6.2 The registered office of the Target Company is situated at New No: 54 (Old No. 61), 1st Floor, Sembudoss Street, Chennai – 600 001. **Tel: 044 – 2523 3049 / 4211 3801 Email: bml@vsnl.net Website: www.metal-bml.com**

6.3 The objects of the Target Company as per its Memorandum of Association inter-alia include:

- To set up Steel Furnace and continuous casting and rolling Mill plant for producing steel and alloy Steel billets, and all kinds and sizes of rolled sections, such as flats, angles, rounds, squares, hexagons, octagons, rails, joints, channels, Steel strips, sheets, plates, deformed bars, plain and coiled twisted bars, bright bars, shaftings and steel structural.
- To carry on all or any of the business of manufacturers, processors, importers, exporters of and dealers in all kinds of ferrous and non-ferrous materials meant for any industrial or non-industrial use whatsoever and to carry on the business in cold or hot rolling, re-rolling, smithing, edge milling. To act as merchants or agents for the same or purchase of all or any of the products or by products of any and every such business or for the materials used in the production or manufacture thereof, or in connection with the above business of the company.
- To carry on all or any of the business of manufacturers, drawers, rollers, repairers, connectors, makers, exporters, importers, agents, stockists, brokers, traders and dealers, of and in iron, steel, alloy steel, all ferrous and non-ferrous, metals castings, scrap, billets, rods, wires, pipes, tubes, hoops, strips, engineering industrial and consumer products and goods, machines, agricultural and industrial tools, equipments and accessories and all raw-material, machinery and stores required in connection therewith.
- To manufacture, assemble, prepare, export, import, trade and deal in Railway materials, track fittings, signaling and interlocking equipment and fitting, wagon coach and carriage components and fittings, agricultural implements and accessories, structural materials of all kinds, bolts, nuts, washers, screws, nails, hinges, cast iron pipes, fittings and other materials, steel and metal furniture and containers, telephone, telegraph and electronic equipments, materials and appliances and all machinery stores, tools, raw-materials required in connection therewith and all its finished and semi finished products, by-products and scraps.
- To manufacture calcinade coke out of raw-petroleum coke and from any raw-material which is suitable to produce calcinade coke.
- To generate hydro, thermal, wind, sea, solar and all other types of power and to distribute the power and electricity for industrial, domestic commercial purposes and to manufacture the equipment required for setting up of all types of power plants and to deal in such equipment and to render consultancy.
- To establish necessary power stations, cables, wire lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purpose of light, heat, motive power and for all other purposes, for which electrical energy can be employed and to manufacture and deal in all other apparatus and things required for or capable of being used in connection with generation, distribution, supply, accumulation and employment of electricity.
- To carry on the business of electric power, light and supply, design, construct, layout, establish, fix, carry out and run all necessary power stations, workshops, repair shops, sub-stations, transmission lines, cables, wires, accumulators and works and to generate, accumulate, distribute and supply electricity to industries or to State Electricity Board or to Cities, Towns, Streets, Docks, Markets.
- The company is being managed by Shri. Govind Prasad and Shri. Nand Kishore Sonthalia. The company is currently engaged in trading mainly in Iron and Steel Products, i.e. TMT bars, Structural Items, Plates, Sheets, Billets, scrap etc.
- The company does not have any subsidiary.
- The Authorized Share Capital of the Target Company is ₹ 500 Lakhs comprising of 50,000,000 Equity Shares of face value ₹ 10 each. The Issued and Subscribed Share Capital of the Target Company is ₹ 3,64,68,500 comprising of 36,46,850 Equity Shares of Rs.10/- each. There are calls unpaid to the extent of ₹ 19,500/- on 3,900 Equity Shares amounting to Rs. 10/- per share of which ₹ 5/- per share is towards face value and ₹ 5/- per share is towards share premium. There are no other outstanding convertible instruments to be converted into Equity Shares of the Target Company at a future date.
- The Equity Shares of the Target Company were initially listed at the Madras Stock Exchange and BSE pursuant to the Initial Public Offering. Subsequently, MSE has been derecognized as a Stock Exchange vide SEBI Order dated May 14, 2015 and the equity shares of the Target Company are currently listed only on BSE. (Scrip Code: 530095) (Source: www.bseindia.com)
- The bse shares of the Target Company are currently traded on BSE within the meaning of explanation provided in Regulation 2(i) of the SEBI (SAST) Regulations, 2011. (Source: www.bseindia.com).
- The Target Company has paid listing fees to BSE for the financial year 2017 - 2018.
- The trading in the Equity Shares of the Target Company has never been suspended on the stock exchange
- The best standalone audited financial information of the Target Company for the financial years ended March 2017, 2016 and 2015 is as under:

Particulars	(Rupees in Lakhs)		
	Financial Year 2017 Audited	Financial Year 2016 Audited	Financial Year 2015 Audited
Total Revenue (Revenue from Operations + Other Income)	2,796.13	2,226.26	4,648.73
Net Profit/(Loss) after tax	14.90	9.29	15.94
EPS	0.41	0.25	0.44
Net Worth	748.66	733.76	724.47

6.12 The Board of Directors of the Target Company consist of Govind Prasad (DIN: 00017460) Nand Kishore Sonthalia (DIN: 00021585) Chidaraman Chettiar Ramasamy (DIN: 01107229) Narendra Kumar Lunawat (DIN: 00067129) Nirmal Anraj Gadhira (DIN: 00678742), Gita Agarwal (DIN: 08969459) and Bhavin Kanayalal Sarvalya (DIN: 08010395)

6.13 The Acquirers do not have any representative on the Board of Directors of the Target Company as on the date of this DPS.

7. DETAILS OF THE OFFER

7.1 The Acquirers are making this Offer to all the public shareholders of the Target Company ("Equity Shareholders"), to acquire up to **9,48,688** (Nine Lakhs Forty Eight Thousand Six Hundred and Eighty Eight Only) Equity Shares of face value ₹ 10/- (Rupees Ten only) each, constituting **26%** (Twenty Six per cent) of the Share Capital and **26.014%** of the Voting Capital of the Target Company.

7.2 This Offer is being made at a price of **₹ 21/-** (Rupees Twenty One only) ("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. The amount of ₹ 10/- per share remaining unpaid on 3,900 Equity Shares (of which ₹ 5/- per share is towards face value and ₹ 5/- per share is towards share premium) if any tendered in the Offer shall be adjusted against the offer price of ₹ 21/- per share and the balance amount of ₹ 11/- per share alone shall be paid to such shareholders who may tender their partly paid up shares in the Offer.

7.3 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.

7.4 There are calls unpaid to the extent of ₹ 19,500/- on 3,900 Equity Shares amounting to Rs. 10/- per share of which ₹ 5/- per share is towards face value and ₹ 5/- per share is towards share premium. There are no convertible instruments which are pending for conversion.

7.5 To the best of the knowledge of the Acquirers, there are no statutory approvals required by the Acquirers to complete this Offer. The Offer would be subject to all the statutory approvals that may become applicable at a later date.

7.6 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 thereon.

7.7 The Manager to the Offer does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer and as on the date of this Detailed Public Statement. The Manager 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.

7.8 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 the Takeover Regulations.

7.9 The Acquirers may withdraw the offer only in compliance with Regulation 23 of the Takeover Regulations.

7.10 The acquisition of 26% of the total Share Capital under this Offer will 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 SEBI (LODR) Regulations, 2015.

7.11 If the Acquirers acquire any Equity Share of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the Takeover Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

II. BACKGROUND TO THE OFFER

1. On February 1, 2018, the Acquirers have entered into an SPA with the Sellers for purchase of 18,97,376 Shares at a price of ₹ 21/- (Rupees Twenty One only) per equity share payable in cash (the purchase of the Sale Shares at a price of ₹ 21/- (Rupees Twenty One only) per equity share is referred to as the "Transaction").

2. The promoters of the company currently hold 24,53,455 Equity Shares aggregating 67.24% of the total share capital of the company. As per the SPA the Acquirers shall acquire 18,97,376 shares aggregating 52.00% of the total share capital from the Sellers. 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 control of the Target Company. The Acquirers shall be classified after the completion of the open offer formalities / consummation of the SPA as a promoter of the target company subject to the approval of the shareholders of the Company by way of a special resolution in accordance with the provisions of Regulation 31A of the SEBI LODR Regulations and the sellers / other promoters shall cease to be promoters of the Company. The reclassification shall also be subject to the compliance of the conditions specified in Regulation 31A of the SEBI LODR Regulations, being more specifically, that the exiting promoters and persons acting in concert with them shall not hold more than ten per cent of the paid-up equity capital of the Company, they shall not have any special rights through formal or informal arrangements and they or their relatives shall not act as key managerial personnel for a period of more than three years from the date of shareholders' approval.

3. The object of the acquisition is substantial acquisition of Shares/Voting Rights accompanied by control over the Management of the Target Company.

4. 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 businesses 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 No. of Shares
Shareholding as on the PA date		NIL
Shares acquired through Share Purchase Agreement requiring an open offer to be made in accordance with Takeover Regulations		18,97,376
Shares acquired between the Public Announcement date and the DPS date		NIL
Shares proposed to be acquired in the Offer (assuming full acceptance)		9,48,688
Post Offer Shareholding on diluted basis on 10th working day after closing of Tendering period		28,46,064

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 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 turnover (as % of shares listed)
BSE	55,644	36,48,800	1.52%

(Source: www.bseindia.com)

3. Based on the information provided in point above, the equity shares of the Target Company are **intensely traded** on the BSE within the meaning of explanation provided in regulation 21(j) of the SEBI (SAST) Regulations, 2011.
4. The Offer Price of ₹ 21/- (Rupees Twenty One only) is justified in terms of regulation 8 of the SEBI (SAST) Regulations, 2011, **being the highest of the following:**

a) Highest negotiated price per share for acquisition under the SPA;

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 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	₹ 8.74*
Other Financial Parameters as at March 31, 2017	
Return on Networth (%)	1.99
Book Value per share (₹)	20.51
Earnings per share (Diluted) (₹)	0.41

CA Mathy Sam, Partner of Lily & Geetha Associates, Chartered Accountants (Membership No. 206624; FNN: 006982S) having Head Office at No. 61, (Old No. 24) Flat No. 1, VJ Flats, 4th Main Road, Gandhinagar, Adyar, Chennai – 600 020; Email id: mathysam@gmail.com, vide certificate dated January 10, 2018, has certified that he has in terms of Supreme Court decision in the case of Hindustan Lever Employees Union v/s. Hindustan Lever Limited (1995) (B3 Company Cases 30), considered the (i) Net Asset Value ("NAV") Method (ii) Profit Earning Capacity Value (PECV) Method and (iii) Market Value Method and accorded weights of 1, 2 and 3 respectively to the values arrived at under each methodology for the purpose of arriving at the fair value for the Shares of the Target Company. As per the certification given, the Fair Value has been arrived at Rs. 8.74 per Equity Share. The Open Offer is being made at a price of ₹ 21, which is higher of the Fair Market Valuation arrived and the negotiated price, hence, justified.

5. In view of the above parameters considered and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of