

## LETTER OF OFFER

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

This Letter of Offer is sent to you as a Shareholder(s) of KSHITIJ INVESTMENTS LIMITED. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager or Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement and Transfer Deed to the Member of the Stock Exchange through whom the said sale was effected.

#### OPEN OFFER ("OFFER")

Pursuant to Regulations 3 (1) and 4 and applicable provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto.

#### TO THE SHAREHOLDERS OF KSHITIJ INVESTMENTS LIMITED

(Hereinafter referred as "KIL" or "Kshitij" or "the Target Company" or "TC" or "the Company")  
having the Registered Office at 509, Loha Bhavan 93, P. D'mello Road, Carnac Bunder Mumbai City,  
Mumbai-400 009, India, Phone No. +91-22-23480344 / +91 98308 98807  
Email: [ksh.inv.ltd@gmail.com](mailto:ksh.inv.ltd@gmail.com), Website: [www.kiltid.in](http://www.kiltid.in)

#### BY

Mr. Rahul Agrawal S/o Mr. Chandrashekhar Agrawal, is 37 years old currently residing at Makan No. 184, Dh 179 Se 241 Kh, Ward Number 17, Rajendra Ward, Anand Bagh, Pipariya, Hoshangabad, Madhya Pradesh - 461775, India, Tel. No. +91 9806340600, Email: [rahulagrawalmp@gmail.com](mailto:rahulagrawalmp@gmail.com); (hereinafter referred to as "the Acquirer-1") and Mr. Rohit Agrawal S/o Mr. Chandrashekhar Agrawal is 42 years old currently residing at 184<sup>th</sup>, 179 to 241 Kh, Anand Bagh, Pipariya, Hoshangabad, Madhya Pradesh - 461775, India, Tel. No. +91 9425310820, Email: [rohitagrawalmp@gmail.com](mailto:rohitagrawalmp@gmail.com); (hereinafter referred to as "the Acquirer-2"). (Acquirer-1 and Acquirer-2 being collectively referred to as "Acquirers")

#### TO ACQUIRE

Up to 8,19,624 Equity shares of Rs. 10/- each representing 26.00% of the Emerging equity and voting share capital of the Target Company at a price of Rs. 10.20/- (Rupees Ten and Paise Twenty only) per share including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date ("Offer Price").

#### Please Note

1. This Offer is being made pursuant to the Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations, 2011 and subsequent amendments thereof for substantial acquisition of shares / voting rights accompanied with change in control.
2. This Offer is not conditional upon any minimum level of acceptance by the shareholders of the Target Company.
3. As on date of this Letter of Offer, no statutory approvals are required in relation to this Offer.
4. **This offer is not a competing offer.**
5. **There has been no competing offer or revision of Offer Price as on date of this Letter of Offer.**
6. Shareholders who have tendered shares in acceptance of the Open Offer by tendering the requisite documents, in terms of the Public Announcement / Detailed Public Statement/Letter of Offer, shall not be entitled to withdraw such acceptance during the tendering period.
7. The Procedure for acceptance is set out in Para 8 of this LOF. A Form of Acceptance is enclosed with this LOF.
8. If there is any upward revision in the Offer Price by the Acquirers at any time prior to commencement of the last one working day before the commencement of the tendering period viz. **Thursday, 07<sup>th</sup> March, 2024** you will be informed by way of another Announcement in the same newspapers in which the detailed Public Statement pursuant to Public Announcement was published. The Acquirers shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer.
9. The Acquirers may acquire Equity Shares pursuant to the Share Purchase Agreement until the expiry of 26 (Twenty- six) weeks after the expiry of the Offer Period, or an extended period granted by SEBI, in accordance with Regulation 22(3) of the SEBI SAST Regulations.
10. A copy of the Public Announcement, detailed Public Statement and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) would also available on SEBI's Website: [www.sebi.gov.in](http://www.sebi.gov.in).
11. All correspondence relating to this offer, if any, should be addressed to the Manager to Offer or Registrar to the Offer at the address mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <b>Navigant</b> NAVIGANT CORPORATE ADVISORS LIMITED 804, Meadows, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-4120 4837 / 4973 5078 Email Id- <a href="mailto:navigant@navigantcorp.com">navigant@navigantcorp.com</a> Investor Grievance Email: <a href="mailto:info@navigantcorp.com">info@navigantcorp.com</a> Website: <a href="http://www.navigantcorp.com">www.navigantcorp.com</a> SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani	 <b>PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED</b> Unit No. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai, Maharashtra, 400011 Tel No.: +91-22-23016761 / 23012518 E-mail Id: <a href="mailto:support@purvashare.com">support@purvashare.com</a> Investor Grievance Email: <a href="mailto:support@purvashare.com">support@purvashare.com</a> Website: <a href="http://www.purvashare.com">www.purvashare.com</a> SEBI Registration No: INR000001112 Contact Person: Ms. Deepali Dhuri
<b>OFFER OPENS ON: MONDAY, 11<sup>TH</sup> MARCH, 2024</b>	<b>OFFER CLOSES ON: FRIDAY, 22<sup>ND</sup> MARCH, 2024</b>

## SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Activity	Original Date	Original Day	Revised Date	Revised Day
Public Announcement	12.07.2023	Wednesday	12.07.2023	Wednesday
Publication of Detailed Public Statement in newspapers	19.07.2023	Wednesday	19.07.2023	Wednesday
Submission of Detailed Public Statement to BSE, Target Company & SEBI	19.07.2023	Wednesday	19.07.2023	Wednesday
Last date of filing draft letter of offer with SEBI	26.07.2023	Wednesday	26.07.2023	Wednesday
Last date for a Competing offer	09.08.2023	Wednesday	09.08.2023	Wednesday
Receipt of comments from SEBI on draft letter of offer	18.08.2023	Friday	10.01.2024	Wednesday
Approval from BSE for Proposed Preferential Issue*	N.A.	N.A.	22.02.2024	Thursday
Identified date**	22.08.2023	Tuesday	23.02.2024	Friday
Date by which letter of offer be dispatched to the shareholders	29.08.2023	Tuesday	04.03.2024	Monday
Last date for revising the Offer Price	04.09.2023	Monday	06.03.2024	Wednesday
Comments from Committee of Independent Directors of Target Company	01.09.2023	Friday	06.03.2024	Wednesday
Advertisement of Schedule of activities for open offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchange and Target Company	04.09.2023	Monday	07.03.2024	Thursday
Date of Opening of the Offer***	05.09.2023	Tuesday	11.03.2024	Monday
Date of Closure of the Offer	18.09.2023	Monday	22.03.2024	Friday
Payment of consideration for the acquired shares	05.10.2023	Thursday	10.04.2024	Wednesday
Final report from Merchant Banker	12.10.2023	Thursday	19.04.2024	Friday

\*Refers to the date on which the letter dated 22<sup>nd</sup> February, 2024 from the BSE Limited was received by the Target Company, granting the “In-principle” approval under Regulation 28(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

\*\*Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirers, Promoters and Sellers) are eligible to participate in the Offer any time before the closure of the Offer.

\*\*\*The date has been calculated from 22<sup>th</sup> February, 2024, being the date of receipt of BSE letter dated 22<sup>nd</sup> February, 2024 by the Target Company, and based on the letter dated 19<sup>th</sup> January, 2024 from SEBI where SEBI has granted extension for commencement of the tendering period not later than 12 working days from the date of receipt of BSE Approval.

### RISK FACTORS

#### A. RELATING TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer.

- 1) The Offer involves an offer to acquire up to 26% of the emerging equity and voting share capital of KIL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

- 2) In the event that (a) a statutory and regulatory approvals, which may become applicable at later date and are not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirers not to proceed with the Offer, and then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of KIL whose Shares has been accepted in the Offer as well as the return of Shares not accepted by the Acquirers may be delayed. In case of the delay, due to non-receipt of statutory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that the non-receipt of approvals was not due to wilful default or negligence or failure to diligently pursue such approvals on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders for the delay, as may be specified by SEBI. Without prejudice of Regulation 18(11) of the SEBI (SAST) Regulations, 2011 Acquirers shall pay interest for the period of delay to all such shareholders whose shares have been accepted in the open offer, at the rate of ten per cent per annum, however in case the delay was not attributable to any act of omission or commission of the Acquirers, or due to the reasons or circumstances beyond the control of Acquirers, SEBI may grant waiver from the payment of interest. The Acquirers will not proceed with the Open Offer in the event statutory or other approval/s, if any, as may be required, are refused in terms of Regulation 23(1) of SEBI (SAST) Regulations.
- 3) The Equity Shares tendered in the Offer shall be held in in trust by the Clearing Corporation / Registrar to the Offer until the completion of the Offer formalities and the Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares during such period, even if the acceptance of equity Shares in this offer and/or dispatch of payment consideration are delayed. Further, during such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer and the Acquirers do not make any assurance with respect to the market price of the Equity Shares at any time, whether during or after the completion of the Offer, and disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
- 4) Public Shareholders should note that once they have tendered their Equity Shares in the Offer, they will not be able to withdraw their Equity Shares from the Offer, even if the acceptance of Equity Shares under the Offer and dispatch of consideration is delayed. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer and/or Clearing Corporation notwithstanding delay in acceptance of the Equity Shares in this Offer and dispatch of payment consideration. Accordingly, the Acquirers and Manager to the Offer make no assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon completion of this Offer and each of them expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by the Public Shareholders on whether or not to participate in this Offer.
- 5) This Offer is subject to completion risks as would be applicable to similar transactions.
- 6) NRI and OCB holders of the Equity Shares must obtain all approval/s required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the RBI) and submit such approval/s along with the Form of Acceptance and other documents required to accept this Offer. In the event such approval/s are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIs and FPIs) were required to obtain any approval/s (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approval/s that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approval/s and/or relevant documents are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or on non-repatriable basis.
- 7) This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. The recipients of this Letter of Offer (“LOF”) resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. The Offer is not directed towards any person or entity in any jurisdiction or country where the Offer would be contrary to the applicable laws or regulations or would subject the Acquirers or the Manager to the Offer to any new or additional registration requirements.

- 8) The Public Shareholders are advised to consult their respective legal and tax advisors for assessing the tax liability pursuant to the Offer, or in respect of other aspects, such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

## B. IN ASSOCIATION WITH THE ACQUIRERS

- 9) The Acquirers intend to acquire 8,19,624 fully paid-up equity shares of Rs.10/- each, representing 26.00% of the emerging equity and voting share capital at a price of Rs. 10.20/- (Rupees Ten and Paisa Twenty Only) per equity share including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date. KIL does not have any partly paid-up equity shares as on the date of the PA, DPS and this LOF.

The Acquirers make no assurance with respect to the market price of the shares during the Offer period and upon the completion of the Offer and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer. The Acquirers make no assurance with respect to the financial performance of the Target Company.

- 10) The Acquirers and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement or this Letter of Offer or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.

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## 1. DEFINITIONS

TERM	DESCRIPTION
Acceptance Date	The date on which bids /Equity Shares tendered in the Offer shall be accepted post verification
Acquirer-1	Mr. Rahul Agrawal
Acquirer-2	Mr. Rohit Agrawal
Acquirers / The Acquirers	Collectively Mr. Rahul Agrawal and Mr. Rohit Agrawal
AOA	Articles of Association
Board	The Board of Directors of Target Company
BSE	BSE Limited
Buying Broker / Member	Allwin Securities Limited
CIN	Corporate Identification Number
Detailed Public Statement or DPS	Public Statement of the Open Offer made by the Acquirers, which appeared in the newspapers on 19 <sup>th</sup> July, 2023
DLoO / DLOF or Draft Letter of Offer	The Draft Letter of offer dated 25 <sup>th</sup> July, 2023 filed with SEBI pursuant to Regulation 16 (1) of SEBI (SAST) Regulations.
Existing Share & Voting Capital / Fully paid Equity Existing Share & Voting Capital	Paid up share capital of the Target Company i.e. Rs. 62,94,000 divided into 6,29,400 Equity Shares of Rs. 10/- Each
Emerging Equity Share & Voting Capital / Emerging Share Capital / Emerging Voting Capital	31,52,400 fully paid -up equity shares of the face value of Rs. 10/- each of the Target Company being the capital post allotment of 25,23,000 equity shares to the Acquirers and others on preferential basis.

TERM	DESCRIPTION
Existing Promoter of KIL	Persons shown as Promoter and Promoter group in shareholding pattern as on 30 <sup>th</sup> June, 2023 filed by KIL with BSE being M/s. Riga Investment & Trading Company Private Limited, M/s. Chitalia Investments Company Private Limited and M/s. Symphony Investments Company Private Limited.
EPS	Earnings Per Share which is Profit After Tax / No. of Equity Shares.
Form of Acceptance or FOA	Form of Acceptance cum Acknowledgement.
Identified Date	Friday, February 23, 2024
KIL/Target Company/ TC/ Kshitij / Company	Kshitij Investments Limited
Listing Agreement	Listing agreement as entered by the Target Company with the BSE
LoO / LOF / Letter of Offer	The Letter of offer dated February 26, 2024
Manager to the Offer or, Merchant Banker	Navigant Corporate Advisors Limited
Negotiated Price	Rs. 10.00/- (Rupees Ten Only) per fully paid-up Equity Share of face value of Rs. 10/- each.
Offer/Open Offer/ The Offer	Cash Offer to acquire up to 8,19,624 Equity Shares of Rs. 10/- each representing 26.00% of the Emerging Equity shares and voting share capital of the Target Company, to be acquired by the Acquirers, at a price of Rs. 10.20/- per Equity share, Including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date.
Offer Price	Rs. 10.20/- (Rupees Ten and Paisa Twenty Only) per fully paid-up Share of Rs. 10/- each, Including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date.
PA	Public Announcement
PAC/PACs	Person(s) Acting in Concert
Persons eligible to participate in the Offer/ Shareholders	Registered shareholders of Kshitij Investments Limited, and unregistered shareholders who own the Shares of KIL on or before the last date of tendering period is eligible to participate in the offer except the Acquirers, Existing Promoters and Selling Shareholders
Preferential Issue / Pref. Issue/ Pref. Allotment	Shall mean proposed issue and allotment of 25,23,000 Equity Shares of Face Value of Rs.10/- (Rupees Ten only) each at a price of Rs. 10/- (Rupees Ten Only) per Share representing 80.03% of the Emerging Voting Capital. Out of said preferential issue, 18,47,000 Equity Shares are proposed to be allotted to Acquirers and balance 6,76,000 Equity Shares are proposed to be allotted to others.
Registrar or Registrar to the Offer	Purva Sharegistry (India) Private Limited
Sale Shares	77,000 equity shares constituting 12.23% of the existing fully paid up and voting equity share capital / 2.44% of the Emerging Voting Capital and of the Target Company which are to be acquired by Acquirers from Sellers at a consideration of Rs. 10/- per Equity Share.
Scheduled Payment date	Wednesday, 10 <sup>th</sup> April, 2024, being the last date for payment of consideration under the Offer in accordance with timelines as stipulated under SEBI (SAST) Regulations, based on SEBI observation letter dated 10 <sup>th</sup> January, 2024 not taking into consideration the delay in commencement of the tendering period for the Offer on account of non-receipt of statutory approvals i.e. approval of BSE Limited which has been received on 22 <sup>nd</sup> February, 2024 vide its letter dated 22 <sup>nd</sup> February, 2024 and the permission of such delay granted by SEBI vide its letter dated 19 <sup>th</sup> January, 2024.
SEBI	Securities and Exchange Board of India
SEBI (SAST) Regulations / the Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended up to date.

TERM	DESCRIPTION
SEBI Act	Securities and Exchange Board of India Act, 1992.
Seller-1/ Selling Shareholder-1	M/s. Chitalia Investments Company Private Limited
Seller-2/ Selling Shareholder-2	M/s. Symphony Investments Company Private Limited
Sellers / Selling Shareholders / Seller Entities	Collectively Chitalia Investments Company Private Limited and Symphony Investments Company Private Limited
Stock Exchange (s)	BSE Limited
Shares	Equity shares of Rs. 10/- (Rupees Ten only) each of the Target Company
SPA / Share Purchase Agreement	Agreement dated 12 <sup>th</sup> July, 2023 to purchase 77,000 equity shares constituting 2.44% of the Emerging Voting Capital of the Target Company by Acquirers from Sellers at a consideration of Rs. 10/- per Equity Share.

#### CURRENCY OF PRESENTATION

In this Letter of Offer, all references to “Rs.” are to the reference of Indian National Rupees (“INR”). Throughout this Letter of Offer, all figures have been expressed in “Lacs” unless otherwise specifically stated. In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

## 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 THE SHAREHOLDERS OF KIL 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/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 ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE /OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER TO THE OFFER, NAVIGANT CORPORATE ADVISORS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 25<sup>TH</sup> JULY, 2023 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 2011. THE FILING OF THE 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

- 3.1.1 This Offer, being a mandatory open offer is being made by the Acquirers to the Shareholders of the Target Company with an intention to acquire substantial acquisition of Equity Shares and Voting Rights accompanied with change in control of the Target Company in accordance with Regulation 3 (1) and 4 of the Takeover Regulations.
- 3.1.2 The Board of Directors of the Target Company, in their meeting held on 12<sup>th</sup> July, 2023 has subject to the approval of the shareholders of the Target Company and other regulatory approvals, as applicable, agreed to issue and allot, on a preferential basis, 25,23,000 fully paid up equity shares of face value of Rs. 10/- each (the “Equity Shares”) of the Target Company at a price of Rs. 10/- per Equity Shares aggregating to Rs. 252.30 Lacs representing 80.03% of the Emerging Equity Share & Voting Capital of the Target Company to the Acquirers and others. Acquirers have also entered in to a Share Purchase Agreement dated 12<sup>th</sup> July, 2023 (“the SPA”) with Selling Shareholders for acquiring 77,000 Equity Shares (“Sale Shares”) of Rs. 10/- each at a price of Rs. 10/- per Equity Share aggregating to Rs. 7.70 Lacs representing 2.44% of Emerging Equity Share & Voting Capital of Target Company. This is to confirm that Target Company has agreed to issue and allot, on a preferential basis, 25,23,000 fully paid- up equity shares of face value of Rs. 10/- each and out of which 18,47,000 equity shares will be issued to Acquirers (9,23,500 shares to Acquirer-1, i.e., Mr. Rahul Agrawal and 9,23,500 shares to Acquirer-2, i.e., Mr. Rohit Agrawal) and 6,76,000 to others.

**3.1.3** This Offer is being made by Acquirers due to:

- (i) the proposed preferential issue of 18,47,000 Equity Shares of face value of Rs. 10/- each of the Target Company at a price of Rs. 10/- per Equity Shares, representing 58.59% of the Emerging Equity Share & Voting Capital of the Target Company, to the Acquirers.
- (ii) the execution of the Share Purchase Agreement dated 12<sup>th</sup> July, 2023 (the “SPA”) entered into between Acquirers and Sellers for acquiring 77,000 Equity Shares (the “Sale Shares”) of Rs. 10/- each at a price of Rs. 10/- per Equity Share (the “SPA Price”) aggregating to Rs. 7.70 Lacs representing 2.44% of the Emerging Equity Share & Voting Capital of the Target Company. The Sellers are currently part of Promoter and Promoter Group of the Target Company.

**3.1.4** The detailed proposed allotment of Equity Shares of the Target Company to Acquirers at a price of Rs. 10/- per Equity Share are tabled below:

Name of Acquirers / PAC	Pre-Transaction Shareholding Number and % of Total Present Share Capital	Total No. of Equity Shares to be allotted of TC under preferential issue	Shares to be Acquired Under SPA	Total Number of Equity Shares held in TC post Pref. Issue	% of Total Number of Equity Shares on Emerging Share & Voting Capital
<b>Acquirers</b>					
Mr. Rahul Agrawal (Acquirer-1)	Nil	9,23,500	38,500	9,62,000	30.52%
Mr. Rohit Agrawal (Acquirer-2)	Nil	9,23,500	38,500	9,62,000	30.52%
<b>Total</b>	<b>Nil</b>	<b>18,47,000</b>	<b>77,000</b>	<b>19,24,000</b>	<b>61.03%</b>

**3.1.5** The pre and post- preferential allotment capital of the Target Company would be as under:

Particulars	No. of Equity Shares	Nominal Value (Rs.)
Existing equity and voting share capital	6,29,400	62,94,000
Proposed preferential allotment of Equity Shares	25,23,000	2,52,30,000
<b>Post Preferential allotment / emerging voting capital</b>	<b>31,52,400</b>	<b>3,15,24,000</b>

**3.1.6** Details of Parties to the SPA are as follows:

Name and Address of Acquirers entering in to SPA	Name and Address of Sellers	Part of the Promoter / Promoter Group (Yes / No)	Details of shares / voting rights held by the Selling Shareholders prior to SPA		Details of shares / voting rights held by the Selling Shareholders post to SPA	
			Pre-Transaction		Post Transaction	
			Number	%*	Number	%*
Mr. Rahul Agrawal (Acquirer-1) Address: Makan No. 184, Dh 179 Se 241 Kh, Ward Number 17, Rajendra Ward, Anand Bagh, Pipariya, Hoshangabad, Madhya Pradesh - 461775, India	Chitalia Investments Company Private Limited (Seller-1) Address: 509, Loha Bhavan, 93, P. D'mello Road, Carnac Bunder, Mumbai - 400009	Yes	38,800	1.23%	300	0.01%
Mr. Rohit Agrawal (Acquirer-2) Address: 184 <sup>th</sup> , 179 to	Symphony Investments Company Private	Yes	38,800	1.23%	300	0.01%

Name and Address of Acquirers entering in to SPA	Name and Address of Sellers	Part of the Promoter / Promoter Group (Yes / No)	Details of shares / voting rights held by the Selling Shareholders prior to SPA		Details of shares / voting rights held by the Selling Shareholders post to SPA	
			Pre-Transaction		Post Transaction	
			Number	%*	Number	%*
241 Kh, Anand Bagh, Pipariya, Hoshangabad, Madhya Pradesh - 461775, India	<b>Limited (Seller-2)</b> <b>Address:</b> 509, Loha Bhavan, 93, P. D'mello Road, Carnac Bunder, Mumbai - 400009					
			<b>77,600</b>	<b>2.46%</b>	<b>600</b>	<b>0.02%</b>

\* As a percentage of emerging equity and voting share capital of the Target Company.

### 3.1.7 The salient features of SPA are as follows:

- (i) The Sellers have agreed to sell 77,000 fully paid Equity Shares of Rs. 10/- each at a price of Rs 10/- (Rupees Ten only) per fully paid-up Equity Share of the Target Company to Acquirers.
- (ii) Acquirer-1 has agreed to acquire 38,500 sale shares from Seller-1 and Acquirer-2 has agreed to acquire 38,500 sale shares from Seller-2.
- (iii) Apart from the total consideration of Rs. 7,70,000/- for the Sale Shares, no separate fees, payment, premium such as non-competing fee etc. shall be paid by Acquirers to the Sellers for acquisition of the Sale Shares and management control of the Target Company.
- (iv) Acquirers and the Sellers recognize that the sale of Sale Shares is the subject matter of the Takeover Regulations and accordingly the Sellers shall transfer the Sale Shares only after due compliance with the Takeover Regulations by Acquirers or comply escrow mechanism in terms of Regulation 22 of the SEBI SAST Regulations.
- (v) Acquirers and the Sellers agree that in the event of non-compliance of any of the provisions of the Takeover Regulations pursuant to the execution of the Agreement, this Agreement shall not be acted upon by any of them.
- (vi) The Sale Shares held by the Seller are in dematerialised form and are free from any lien, claim, pledge, charge, mortgage and encumbrance as on the date of the Agreement.
- (vii) The Sale Shares shall be transferred to Acquirers post completion of 21 working days from DPS i.e. on or after 22<sup>nd</sup> August, 2023 in accordance with Regulation 22 (2) of SEBI (SAST) Regulations, subject to Acquirers depositing 100% Offer Consideration in the Escrow Account.

**3.1.8** Acquirers recognize that the Shares to be acquired under SPA and Preferential Issue is the subject matter of the Takeover Regulations and accordingly will acquire Shares under SPA and Preferential Issue only after due compliance with the Takeover Regulations under regulation 22 (1) of the SEBI SAST Regulations or comply escrow mechanism in terms of Regulation 22 (2A) of the SEBI SAST Regulations. Acquirers on 13<sup>th</sup> July, 2023 had deposited cash of an amount of Rs. 81,96,240/- in an escrow account opened with Kotak Mahindra Bank Limited, Further, In line with SEBI letter dated 19<sup>th</sup> January, 2024, the Offer Price has been revised to Rs. 10.20 Per Equity Share to include interest @ 10% per annum, payable on account of delay in payment beyond the scheduled payment date. Accordingly, the Acquirer has deposited additional amount in the Escrow Account of Rs. 2,00,000/- (Rupees Two Lacs only), in cash, so that the amount initially deposited along with the additional amount deposited in the Escrow Account is more than 100% of the Maximum Consideration payable under the Offer. The Acquirers have complied with Regulation 22 (2) of SEBI (SAST) Regulations, 2011 and shall have option to complete the acquisition of shares under SPA and acquire control of Target Company after completion of 21 working days from DPS i.e. on or after 22<sup>nd</sup> August, 2023.

**3.1.9** Consequent upon acquiring the shares pursuant to the preferential allotment and 77,000 Sale Shares, the post preferential shareholding of the Acquirers will be 19,24,000 equity shares constituting 61.03% of the Emerging Equity Share & Voting Capital. Pursuant to proposed allotment and SPA the Acquirers



will be holding substantial stake and will be in control over the Target Company. Accordingly, this offer is being made in terms of Regulation 3(1) and Regulation 4 read with Regulation 13(2)(A)(i) and other applicable provisions of the Takeover Regulations.

- 3.1.10** The Offer is not a competing offer under Regulation 20 of SEBI (SAST) Regulations.
- 3.1.11** The Acquirers do not have any 'person acting in concert' with it, as defined in Regulation 2(1)(q)(1) of the SEBI SAST Regulations, for the purpose of this Offer.
- 3.1.12** The Current and proposed shareholding of the Acquirers in Target Company and the details of their acquisition is as follows:

Sr. No.	Particulars	Acquirer -1		Acquirer-2	
		No. of Shares	%*	No. of Shares	%*
(i)	Shareholding as on PA date i.e. 12 <sup>th</sup> July, 2023	Nil	Nil	Nil	Nil
(ii)	Shares acquired between the PA date and the DPS date	Nil	Nil	Nil	Nil
(iii)	Shares to be acquired in SPA	38,500	1.22%	38,500	1.22%
(iv)	Shares to be acquired in Preferential Issue	9,23,500	29.30%	9,23,500	29.30%
(v)	Shares to be acquired in the Open Offer (assuming full acceptances)	4,09,812	13.00%	4,09,812	13.00%
(vi)	Post Offer shareholding [assuming full acceptance] (On Diluted basis, as on 10 <sup>th</sup> working day after closing of tendering period)	13,71,812	43.52%	13,71,812	43.52%

\* As a percentage of emerging equity and voting share capital of the Target Company.

- 3.1.13** The Acquirers have not been prohibited by SEBI, from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 3.1.14** The Acquirers may at its discretion seek to effect changes to the board of directors of the Target Company, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the LODR Regulations and Regulation 24 of the SEBI SAST Regulations). No proposal in this regard has been finalized as on the date of this Letter of Offer.
- 3.1.15** The Acquirers proposes to continue existing business of the Target Company and may diversify its business activities in future with prior approval of shareholders of Target Company.
- 3.1.16** The Manager to the Open Offer i.e. Navigant Corporate Advisors Limited does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal on their own account in the Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.
- 3.1.17** There are no directions subsisting or proceedings pending against the Manager to the Open Offer under SEBI Act, 1992 and regulations made there under, also by any other Regulator.
- 3.1.18** No complaint has been received by the merchant banker in relation to the open offer.
- 3.1.19** Simultaneously, by virtue of triggering of Regulation 3(1) and 4 of the Regulations due to substantial acquisition along with the management control; the PA was submitted with BSE on 12<sup>th</sup> July, 2023 in compliance with Regulation 13(1) of the Regulations by the Acquirers. The PA was also submitted with SEBI and the Target Company in compliance with the Regulation 14(2) of the Regulations.
- 3.1.20** In accordance with Regulation 26 (6) and 26(7) of the SEBI SAST Regulations, the committee of independent directors of the Target Company are required to provide its written reasoned recommendations on the Offer to the Shareholders and such recommendations are required to be published in the specified form at least 2 (two) Working Days before the commencement of the Tendering Period.

- 3.1.21** Upon completion of the Offer, assuming full acceptance in the offer, pursuant to the SPA and completion of Preferential Issue, Acquirers will hold 27,43,624 Equity Shares of Rs. 10/- (Rupees Ten only) equity shares constituting 87.03% of the Emerging Equity Share and Voting Capital of the Target Company. In terms of Regulation 38 of the SEBI (LODR) Regulations read with Rule 19A of SCRR, the Target Company is required to maintain at least 25% public shareholding on a continuous basis for listing. Pursuant to the completion of this Offer, assuming full acceptance, in the event the Public Shareholding in the Target Company falls below the minimum public shareholding requirement as per SCRR and SEBI (LODR) Regulations, the Acquirers undertake to bring down the non-public shareholding in the Target Company to the level specified within the time prescribed in the SCRR, SEBI (SAST) Regulations and as per applicable SEBI guidelines. Acquirers are intended to retain the listing of Target Company.
- 3.1.22** In case the shareholding of the Acquirers exceeds maximum permissible non-public shareholding pursuant to the Offer, Acquirers will not be eligible to make a voluntary delisting offer under SEBI (Delisting of Equity Shares) Regulations, 2021 unless a period of 12 (twelve) months has elapsed from the date of the completion of the Offer Period.

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

- 3.2.1** The Public Announcement in connection with the Offer was made by the Managers to the Offer on behalf of the Acquirers to the BSE on 12<sup>th</sup> July, 2023 and submitted to SEBI on 12<sup>th</sup> July, 2023 and sent to the Target Company on 12<sup>th</sup> July, 2023. The DPS in connection with the Offer was published on behalf of the Acquirers on 19<sup>th</sup> July, 2023 in the following newspapers: (a) Financial Express - English Daily (all editions); (b) Jansatta - Hindi Daily (all editions); (c) Pratahkal - Marathi Daily (Mumbai edition). The DPS was also submitted to SEBI and the Stock Exchange and sent to the Target Company on 19<sup>th</sup> July, 2023. The DPS is available on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)).
- 3.2.2** The Acquirers are making this Open Offer under Regulation 3 (1) and 4 of SEBI (SAST) Regulations, to acquire up to 8,19,624 Equity Shares of Rs. 10/- each representing up to 26.00% of the Emerging Equity Share & Voting Capital of the Target Company from the Public Shareholders of Target Company on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 10.20/- per equity share, including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date. These Shares are to be acquired by the Acquirers, free from all liens, charges and encumbrances and together with all voting rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.3** There are no partly paid-up Shares in the Target Company.
- 3.2.4** The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI SAST Regulations.
- 3.2.5** The Offer is not subject to any minimum level of acceptances from the Shareholders i.e., it is not a conditional offer.
- 3.2.6** The Offer is not as a result of any exercise regarding global acquisition which culminates in the indirect acquisition of control over, or acquisition of equity shares or voting rights in, the Target Company.
- 3.2.7** The Acquirers have not acquired any Equity Shares from the date of the Public Announcement to the date of this Letter of Offer. The Acquirers shall disclose during the Offer Period any acquisitions made by the Acquirers of any Equity Shares of the Target Company in the prescribed form, to each of the Stock Exchange and to the Target Company at its registered office within 24 (twenty four) hours of such acquisition, in accordance with Regulation 18(6) of the SEBI SAST Regulations.
- 3.2.8** There has been no competing offer as of the date of this Letter of Offer.
- 3.2.9** The Offer is subject to the terms and conditions set out herein and the PA and the DPS made by the Acquirers from time to time in this regard.
- 3.2.10** There are no direct or indirect linkages, between
- The acquirer and the promoters/ directors of the target company
  - The acquirer and public shareholders of the target company.
  - The promoters/ directors of the target company and its public shareholders.

### 3.3 Object of the Offer:

- 3.3.1** The Acquirers shall achieve substantial acquisition of Equity Shares and voting capital, accompanied with effective management control over the Target Company after completion of the proposed preferential issue, acquisition of the Sale Shares and the Open Offer.
- 3.3.2** The prime object of this acquisition is to acquire management control of the Target Company. Upon successful completion of open offer, Acquirers shall achieve substantial acquisition of Equity Shares and voting capital and intending to acquire control over Target Company in terms of Regulation 4 of SEBI (SAST) Regulations, 2011 and will be identified as part of Promoter and Promoter group of the Target Company.
- 3.3.3** The Acquirers are engaged in food and agro processing business. The main objects of Target Company are to carry on business of trading of iron & steel goods etc, however presently it does not have any operational revenue and by virtue of acquiring substantial stake and also the management control of the Target Company, the Acquirers intend to continue the same line of business or diversify in to other areas of operations with the prior approval of the shareholders, while getting a ready listing platform. The main purpose of this takeover is to expand the Company's business activities in same or diversified line of business through exercising effective control over the Target Company. However, no firm decision in this regard has been taken or proposed so far. Acquirers are currently operating the Dall Milling Plant under concern M/s Manglam Foods (Partnership Firm) located in Food Park, Pachmarhi Road, Pipariya M.P. 461775. Acquirers are engaged in both manufacturing of Dall (Moong, Chana) and Trading of Food Grains. In FY 2022-23 Partnership Firm have clocked the revenue of approximate Rs. 214 Crores. Acquirers are also planning to start / setup the rice milling unit in upcoming days. Madhya Pradesh is located at the centre of India and hence, conveniently connected with multiple states. It has been blessed with large number of natural resources as well as flora and fauna. Acquirers are qualified management professionals who are primarily engaged in the business of trading of agricultural trading, running a dal mill, etc. and Acquirers also regularly participate in tenders floated by government departments as well as public and private sector companies. Once the financial health of the Target Company is improved then track record / existence of Target Company of 40 years can prove to be an asset for Acquirers for bidding of tenders and it can positively lead to it turning around. In order to garner funds for expansion, Target Company had launched "Preferential Issue" of shares in the last quarter while triggering Open Offer under SEBI Takeover Regulations. While capitalising on the long track record of the Target Company, Acquirers intend to continue the same line of business or diversify in other areas of operations while bidding for upcoming tenders and / or dealing in agricultural products besides setting up a processing unit subject to approval of necessary resolutions by the shareholders.
- 3.3.4** The Acquirers may at its discretion seek to effect changes to the Board of Directors of the Target Company, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the LODR Regulations and Regulation 24 of the SEBI SAST Regulations).
- 3.3.5** The Acquirers do not have any plans to dispose off or otherwise encumber any significant assets of KIL in the succeeding two years from the date of closure of the Open Offer, except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of the business, assets, investments, liabilities or otherwise of the Target Company. In the event any substantial asset of the Target Company is to be sold, disposed off or otherwise encumbered other than in the ordinary course of business, the Acquirers undertake that it shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through special resolution in terms of regulation 25(2) of SEBI (SAST) Regulations and subject to the provisions of applicable law as may be required.
- 3.3.6** Pursuant to this Offer and the transactions contemplated in the SPA, the Acquirers shall become the Promoter of the Target Company and, the Selling Promoter Shareholders and other existing promoter will cease to be the promoter of the Target Company and shall be classified as a public shareholder in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations. However, Acquirers have undertaken that within two (2) months of completion of open offer, Acquirers shall change the present registered office to any such place which shall have no linkage with Sellers and existing promoters. Acquirers have also undertaken that only after change in registered office as mentioned above, Target Company will proceed further for reclassification of Selling Promoter Shareholders and other existing promoter to classify them as a public shareholders in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations"

#### 4. BACKGROUND OF THE ACQUIRERS:

##### 4.1 The details of the Acquirer-1 are as follows:

###### Acquirer-1: Mr. Rahul Agrawal:

1. Mr. Rahul Agrawal S/o Mr. Chandrashekhar Agrawal, is a 37 years old Resident Indian currently residing at Makan No. 184, Dh 179 Se 241 Kh, Ward Number 17, Rajendra Ward, Anand Bagh, Pipariya, Hoshangabad, Madhya Pradesh - 461775, India Tel. No. +91-9806340600, Email: [rahulagrawalmp@gmail.com](mailto:rahulagrawalmp@gmail.com); He has pursued Masters of Business Administration (“MBA”) in Finance from Sinhgad Business School, Pune. He has not changed / altered his name at any point of time.
2. Acquirer-1 carries a valid passport of Republic of India and also holds a Permanent Account Number (PAN) ALDPA8781G.
3. Acquirer-1 is having more than 10 years of experience in the field of Food and Agro processing business. He commands finance domain and overall management/ operations of the milling plant.
4. Acquirer-1 does not belong to any group.
5. CA Aayush Agrawal (Membership No. 448976), proprietor of M/s. Agrawal Aayush & Associates, Chartered Accountants (Firm Registration No. 032918C) having his office located at Aadinath Complex, Mohta Plot, Mandi Road, Pipariya - 461775, Madhya Pradesh, Tel: +91-9165407600, Email: [caayushagrawal129@gmail.com](mailto:caayushagrawal129@gmail.com) has certified vide its certificate dated 23<sup>rd</sup> June, 2023 that Net Worth of Acquirer-1 is Rs. 251.08 Lacs as on 31<sup>st</sup> May, 2023 (UDIN: 23448976BGYJGS3021).
6. Acquirer-1 does not hold any shares of Target Company as on the date of the PA and DPS. He has agreed to buy 38,500 Equity Shares (Sale Shares) from current Promoter and Promoter group of Target Company through Share Purchase Agreement (SPA) dated July 12, 2023 and also agreed to subscribe 9,23,500 Equity Shares by way of Proposed Preferential Issue.
7. As on the date of this LOF, Acquirer-1 does not have any interest in Target Company, save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA and proposed preferential issue.
8. The details of the companies in which Acquirer-1 holds directorship is tabled as below:

Name of Company	Designation	CIN
Shri Krishnam Industries Private Limited	Director	U15400MP2020PTC051047
Shri Satguru Agromills Private Limited	Additional Director	U15400MP2022PTC062852
Shri Krishnam Developers Private Limited	Director	U68100MP2023PTC066155

###### Acquirer -2: Mr. Rohit Agrawal:

1. Mr. Rohit Agrawal S/o Mr. Chandrashekhar Agrawal, is a 42 years old Resident Indian currently residing at 184<sup>th</sup>, 179 to 241 Kh, Anand Bagh, Pipariya, Hoshangabad, Madhya Pradesh - 461775, India Tel. No. +91-9425310820, Email: [rohitagrawalmp@gmail.com](mailto:rohitagrawalmp@gmail.com); He has done Masters in Commerce from Barkatullah Vishwavidyalaya, Bhopal. He has not changed / altered his name at any point of time.
2. Acquirer-2 carries a valid passport of Republic of India and also holds a Permanent Account Number (PAN) ARLPA8033D.
3. Acquirer-2 is having experience of more than 18 years in the business of trading in food grains.
4. Acquirer-2 does not belong to any group.
5. CA Aayush Agrawal (Membership No. 448976), proprietor of M/s. Agrawal Aayush & Associates, Chartered Accountants (Firm Registration No. 032918C) having his office located at Aadinath Complex, Mohta Plot, Mandi Road, Pipariya - 461775. Madhya Pradesh, Tel: +91-9165407600, Email: [caayushagrawal129@gmail.com](mailto:caayushagrawal129@gmail.com) has certified vide its certificate dated 23<sup>rd</sup> June, 2023 that Net Worth of Acquirer-2 is Rs. 562.24 Lacs as on 31<sup>st</sup> May, 2023 (UDIN: 23448976BGYJGT7306).

6. Acquirer-2 does not hold any shares of Target Company as on the date of the PA and DPS. He has agreed to buy 38,500 Equity Shares (Sale Shares) from current Promoter and Promoter group of Target Company through Share Purchase Agreement (SPA) dated July 12, 2023 and also agreed to subscribe 9,23,500 Equity Shares by way of Proposed Preferential Issue.
7. As on the date of this LOF, Acquirer-2 does not have any interest in Target Company, save and except the proposed shareholding to be acquired in the Target Company pursuant to proposed preferential issue and SPA.
8. The details of the companies in which Acquirer-2 holds directorship is tabled as below:

Name of Company	Designation	CIN
Shri Krishnam Industries Private Limited	Director	U15400MP2020PTC051047
Shri Satguru Agromills Private Limited	Additional Director	U15400MP2022PTC062852
Shri Krishnam Developers Private Limited	Director	U68100MP2023PTC066155

#### 4.2 Joint Undertakings / Confirmation by the Acquirers

1. The Acquirers have not acquired any shares of Target Company hence compliances w.r.t. Chapter V of the Takeover Regulations, 2011 in respect of acquisitions of Equity Shares in the Target Company are not applicable to Acquirers.
2. The Acquirers do not have any relations with the Target Company nor have any interest in the Target Company save and except the proposed shareholding to be acquired in the Target Company pursuant to SPA and Preferential Issue. Neither the Acquirers nor their representatives are on the board of the Target Company.
3. Acquirers on 13<sup>th</sup> July, 2023 had deposited cash of an amount of Rs. 81,96,240/- in an escrow account opened with Kotak Mahindra Bank Limited, Further, In line with SEBI letter dated 19<sup>th</sup> January, 2024, the Offer Price has been revised to Rs. 10.20 Per Equity Share to include interest @ 10% per annum, payable on account of delay in payment beyond the scheduled payment date. Accordingly, the Acquirer has deposited additional amount in the Escrow Account of Rs. 2,00,000/- (Rupees Two Lacs only), in cash, so that the amount initially deposited along with the additional amount deposited in the Escrow Account is more than 100% of the Maximum Consideration payable under the Offer. The Acquirers have complied with Regulation 22 (2) of SEBI (SAST) Regulations, 2011 and shall have option to complete the acquisition of shares under SPA and acquire control of Target Company after completion of 21 working days from DPS i.e., on or after 22<sup>nd</sup> August, 2023.
4. The Acquirers have not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act (the “SEBI Act”). There are no directions subsisting or proceedings pending against the Acquirers under SEBI Act, 1992 and regulations made thereunder, also by any regulator.
5. Acquirers have confirmed that they are not categorized as a “Willful Defaulter” in terms of Regulation (1)(ze) of the SEBI (SAST) Regulations, 2011 nor they are categorized as a “Fugitive Economic Offender” in terms of Regulation (1)(ja) of the SEBI (SAST) Regulations, 2011.
6. The Acquirers have not entered into any non-compete arrangement and/or agreement with the Target Company or its management.
7. As on date of the LOF, the Acquirers are in compliance with Regulation 6A & Regulation 6B of the Takeover Regulations, 2011.
8. The Acquirers have undertaken that if they acquire any further equity shares of the Target Company during the Offer Period, they shall disclose such acquisition to the Stock Exchange where the equity shares of the Target Company are listed and to the Target Company at its registered office within 24 hours of such acquisition in compliance with regulation 18(6) of the SEBI (SAST) Regulations. Further, they have also undertaken that they will not acquire any equity shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the closure of the Tendering Period as per regulation 18(6) of the SEBI (SAST) Regulations.
9. The Acquirers undertake that they will not sell the equity shares of the Target Company, if any held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations, 2011.
10. The Acquirers are not registered with any other regulatory / govt. authority in any capacity.

11. None of the Acquirers has promoted any listed company and does not hold any directorship in any listed company.
12. There are no regulatory actions / administrative warnings / directions subsisting or proceedings pending against the Acquirers and any other entities related to Acquirers.
13. There are no penalties levied by SEBI / RBI against the Acquirers and any other entities related to Acquirers by the SEBI / RBI.
14. Acquirers do not have any relationship / association with the Sellers, Target Company and Promoter of Target Company, except its proposed holding to be acquired by way of Share Purchase Agreement and proposed preferential issue through with the relevant open offer has been triggered.
15. There are no directions subsisting or proceedings pending against the Acquirers under SEBI Act, 1992 and regulations made there under, also by any other Regulator.

## **5. BACKGROUND OF THE TARGET COMPANY**

*(The disclosure mentioned under this section has been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)*

- 5.1 Kshitij Investments Limited was originally incorporated on 22<sup>nd</sup> May, 1979 under the Companies act 1956 in the name and style of "Kshitij Investments Private Limited". The name of the Target Company was changed to "Kshitij Investments Limited" vide fresh certificate for incorporation consequent on change on name dated 30<sup>th</sup> January, 1980 issued by the Registrar of Companies, Mumbai, Maharashtra. The corporate identification number (CIN) of the Target Company is L67120MH1979PLC021315. The Registered office of KIL is presently situated at 509, Loha Bhavan 93, P. D'mello Road, Carnac Bunder Mumbai City, Mumbai - 400009, Maharashtra; Phone No. 022-23480344, (+91) 9830898807; Email id: [ksh.inv.ltd@gmail.com](mailto:ksh.inv.ltd@gmail.com).
- 5.2 The Authorised Capital of KIL is Rs. 75.00 Lacs divided in to 7,50,000 Equity Shares of Face Value of Rs. 10/- each, which has been proposed to increased to Rs. 320.00 Lacs divided in to 32,00,000 Equity Shares of Face Value of Rs. 10/- each in ensuing Annual General Meeting on 7<sup>th</sup> August, 2023. The Issued, Subscribed and Paid-up capital of KIL is Rs. 62.94 Lacs divided in to 6,29,400 Equity Shares of Face Value Rs. 10/- each. KIL has established its connectivity currently with only the National Securities Depositories Limited. The ISIN of KIL is INE733N01011.
- 5.3 Target Company has been carrying on business of trading of iron & steel goods. However, for some time Target Company has not been actively engaged in any trading activities. While it has recognized the importance and potential opportunities within the iron and steel trading industry, Target Company have faced challenges that have led it to temporarily suspend its trading operations. During this period of non-engagement, Target Company have focused its efforts on alternative strategies, such as internal restructuring, diversification, or exploring new business opportunities. The company is mainly earning through consultancy in field of manufacturing / processing of steel and metals for quite a few years.
- 5.4 As on date, the Target Company does not have any partly paid-up equity shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No shares are subject to any lock in obligations.
- 5.5 The entire present and paid-up Equity Shares of the Target Company is currently listed on BSE. The Equity Shares are listed on BSE w.e.f. 14<sup>th</sup> October, 1980.
- 5.6 The shares of the Target Company are listed at BSE Limited ("BSE") having scrip code and id is 503626 and KSHITIJ respectively. The Equity Shares of Target Company are infrequently traded on BSE in terms of Regulation 2 (1) (j) of the Takeover Regulations.
- 5.7 The Shares of Target Company are not suspended from trading from BSE. As confirmed by Target Company, it has complied with the requirements of the Listing Agreement with BSE and as on the date of public announcement, no penal action had been initiated by the BSE and no punitive action taken from BSE in last 10 years. However, Company has received Show Cause Notice ("SCN") from BSE vide letter number LIST/COMP/LP/SCN/370/2023-2024, on dated July 21, 2023 after 2 site visits conducted by BSE on 29<sup>th</sup> November, 2022 and 21<sup>st</sup> July, 2023 at the registered office of the Company. During the second site visit, the director of Target Company Mr. Ramlakhan Shiv Singh was present and BSE has observed certain findings viz. non-signing of agreement with any of 2 depositories for demat, no trading in scrip for last one year, NIL revenue from operations, NIL fixed assets, Generic disclosures in

MDA, non-updated website, etc. which suggested that the Company is “Vanishing Company” and continuance of listing of such company shall be detrimental to the interest of securities market and investors. In the aforesaid communication, BSE had also imposed fines on the Company with respect to late submission of quarterly / yearly regulations. Also, BSE had advised Company to show cause within 15 working days from the receipt of the SCN dated 21<sup>st</sup> July, 2023 for which detailed reply along with supporting documents from the Company was submitted to BSE on August 04, 2023. Further, Target Company received mail from BSE Limited seeking further clarification on October 20, 2023 for which detailed reply along with supporting documents from the Company was submitted to BSE on October 30, 2023. Further, Target Company received mail from BSE Limited seeking further clarification seeking Status of Demat of Shares of Promoter and Promoter group Status of Signing of Agreement with CDSL which company has mentioned in its earlier reply as in process Status of Demat of Public Shares as currently entire 100% shareholding is in physical form. Steps undertaken by the company in order to demat the public shareholding on December 08, 2023 for which reply from the Company was submitted to BSE on December 12, 2023.

- 5.8 As directed by SEBI, Manager to the Offer had conducted the Site Visit of Target Company on September 05, 2023. At the time of site visit Mr. Pranav Rajkumar, Whole Time Director & CFO was present. Manager to the Offer found that Company has painted or affixed its name, and the address of its registered office, outside of office, further, there was no company secretary in place at that time, the previous Company Secretary resigned w.e.f. 19<sup>th</sup> July, 2023 and Target Company informed that It is looking for an appropriate candidate. Manager to the Offer also found that there was no insurance policy taken by Target Company for office premises. There were no plant & machinery in the Target Company. Target Company has been using fixed assets like computer, printer, telephone, furniture, etc of Promoters / group companies. Site Visit Report in detail was submitted to SEBI on September 07, 2023.
- 5.9 Target Company has entered into agreement with NSDL on 27-07-2012 and got the ISIN number INE733N01011. Target Company has also received the ISIN Activation Letter from CDSL on August 31, 2023. Hence, as on date of this LOF Target Company is having connectivity with both the depositories.

5.10 The details of Share Capital of Target Company are as follows:

Paid up Equity Shares of KIL	No. of Equity Shares/ Voting rights	% of Shares / voting rights
Fully paid-up Equity Shares	6,29,400	100.00
Partly paid-up Equity Shares	NIL	NIL
Total Equity Shares	6,29,400	100.00
Total Voting Rights in the Target Company	6,29,400	100.00

5.11 The details of pre and post- preferential allotment capital of the Target Company would be as under:

Particulars	No. of Equity Shares	Nominal Value (Rs.)
Existing equity and voting share capital	6,29,400	62,94,000
Proposed preferential allotment of Equity Shares	25,23,000	2,52,30,000
<b>Post Preferential allotment / emerging voting capital</b>	<b>31,52,400</b>	<b>3,15,24,000</b>

5.12 As on date of this LOF, the Board of Directors of KIL are as follows:

Name	Designation	DIN	Date of Appointment in Target Company
Pankaj Hiralal Raval	Executive Director	00288660	25/07/2000
Ramlakhan Shiv Singh	Independent Director	02898800	27/01/2023
Pranav Vinaykumar Rajkumar	Executive Director	00289342	27/01/2023
Dipika Agarwal	Executive Director	07584659	27/01/2023
Sanjib Dutta	Independent Director	08419495	31/03/2023
Suvarna Ramchandra Shinde	Independent Director	09751614	05/07/2023

5.13 There has been no merger / demerger or spin off involving KIL during the last 3 years.

5.14 There has been no change in the name of Target Company at any point of time except from “Kshitij Investments Private Limited” to its present name i.e., “Kshitij Investments Limited” which has been effected from 30<sup>th</sup> January, 1980 pursuant to conversion from private limited to limited company.

5.15 Brief financial information of KIL for the Nine months ended December 31, 2023, half year ended September 30, 2023 and financial year ended on 31<sup>st</sup> March, 2023, 31<sup>st</sup> March, 2022, and 31<sup>st</sup> March, 2021 are given below:

(Rs. in Lacs)				
Profit & Loss Statement	For the Nine Months ended December 31, 2023 (Unaudited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021 (Audited)
Revenue from Operations	-	-	-	-
Other Income	1.27	19.20	15.01	-
<b>Total Income</b>	<b>1.27</b>	<b>19.20</b>	<b>15.01</b>	<b>-</b>
Total Expenditure (Excluding Depreciation and Interest)	21.48	10.66	14.53	9.41
Profit (Loss) before Depreciation, Interest & Tax	(20.21)	8.54	0.48	(9.41)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit / (Loss) before Tax and Exceptional Items	(20.21)	8.54	0.48	(9.41)
Exceptional Items	-	-	-	-
Profit / (Loss) before Tax	(20.21)	8.54	0.48	(9.41)
Tax Expenses	-	-	-	-
<b>Profit / (Loss) after Tax</b>	<b>(20.21)</b>	<b>8.54</b>	<b>0.48</b>	<b>(9.41)</b>
Other Comprehensive Income	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>(20.21)</b>	<b>8.54</b>	<b>0.48</b>	<b>(9.41)</b>

(Rs. in Lacs)				
Balance Sheet Statement	For the half year ended September 30, 2023 (Unaudited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021 (Audited)
<b>Sources of Funds</b>				
Paid up Share Capital	62.94	62.94	62.94	62.94
Reserves & Surplus (Excluding Revaluation Reserve)	(31.24)	(12.45)	(21.00)	(21.47)
<b>Non -Current Liabilities</b>				
Other Non -Current Liabilities	-	0.07	-	-
Provisions - Gratuity	-	-	-	-
<b>Current Liabilities</b>				
Trade Payables	0.63	1.04	1.03	4.46
Other Financial Liabilities	-	0.23	0.63	0.63
<b>TOTAL</b>	<b>32.33</b>	<b>51.83</b>	<b>43.60</b>	<b>46.56</b>
<b>Uses of Funds</b>				
Fixed Assets	-	-	-	-
Non -Current Assets	0.05	0.05	0.05	0.06
Current Assets	32.28	51.78	43.55	46.50
<b>TOTAL</b>	<b>32.33</b>	<b>51.83</b>	<b>43.60</b>	<b>46.56</b>

Other Financial Data	For the Nine Months ended December 31, 2023 (Unaudited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)	For the year ended March 31, 2021 (Audited)
Net Worth (Rs. in Lacs)	30.28	50.49	41.94	41.47
Dividend (%)	-	-	-	-
Earnings Per Share (Rs.)	(3.21)	1.36	0.08	(1.50)
Return on Net worth (%)	(66.73%)	16.91%	1.12%	(22.69%)
Book Value Per Share (Rs.)	4.81	8.02	6.66	6.59



Reason for fall/rise in total income and profit after tax are as follows:

**FY 2022-2023 Compared to 2021-2022:**

During the financial year 2022-23, the company has not earned any operational revenue which was also the case for financial year 2021-22. The Other Income stood at Rs. 19.20 Lacs in financial year 2022-23 as compared to Rs. 15.01 Lacs in financial year 2021-22 due to rise in consultancy fees. The profits in the financial year 2022-23 has increased by 1717.02% at Rs. 8.54 lacs from Rs. 0.48 Lacs in the financial year 2021-22. Such increase in profits is mainly due to increase in other income and decrease in expenses.

**FY 2021-2022 Compared to 2020-2021:**

During the financial year 2021-22, the company has not earned any operational revenue which was also the case for financial year 2020-21. The Other Income stood at Rs. 15.01 Lacs in financial year 2021-22 as compared to Nil in financial year 2020-21. The profits in the financial year 2021-22 was at Rs. 0.48 lacs as compared to loss of Rs. 9.41 Lacs in the financial year 2020-21. Such increase in profits is mainly due to presence of other income in financial year 2021-22.

5.16 The Shareholding pattern of the KIL, as on the date of LOF is as follows:

Shareholder Category	Number of Equity Shares of the Target Company	Percentage of Equity Share Capital (%)
Promoter	1,30,540	20.74
Public	4,98,860	79.26
<b>Total</b>	<b>6,29,400</b>	<b>100.00</b>

5.17 The current capital structure of the Company has been build up since inception, are as under:

Date of Allotment	Shares Issued		Cumulative paid-up capital		Mode of Allotment	Identity of allottees (Promoters / Others)	Status of Compliance with SEBI SAST Regulations 1997 / 2011
	No.	% to total Share Capital	No.	% to total Share Capital			
Incorporation	20	100.00	20	100.00	Cash	Subscription to MOA by Promoters & Promoter Group	Capital Issued prior to Listing
Prior IPO*	19980	100.00	20,000	100.00	Cash	Promoters & Promoter Group	Capital Issued prior to Listing
20-06-1980	1,89,800	99.99	2,09,800	100.00	Cash	Promoters, Promoter Group & Public Allotment in IPO	Capital Issued prior to Listing
25-02-1993	4,19,600	68.85	6,29,400	100.00	Cash	Promoters, Promoter Group & Public in Rights Issue	N.A.
<b>Total</b>	<b>6,29,400</b>				--		

\* The Company has been listed on BSE w.e.f. 14-10-1980, The Company is not able to trace the exact dates of issuance of capital prior to listing being records are very old.

5.18 Pre- and Post-Offer shareholding pattern of the KIL is as per the following table:

Sr. No.	Shareholder category	Shareholding & voting rights prior to the agreement/acquisition and offer (A)		Shares/voting rights agreed to be acquired pursuant to SPA and allotment under Pref. Issue which triggered off the Takeover Regulations (B)		Shares/Voting rights to be acquired in the open offer (assuming full acceptances) (C)		Shareholding/voting rights after the acquisition and Offer	
		No.	% §	No.	%^	No.	%^	No.	%^
1.	<b>Promoter &amp; Promoter Group</b>								
	a. Parties to Agreement	77,600	12.33	(77,000)	(2.44)	-	-	600	0.02
	b. Promoters Other than (a) above*	52,940	8.41	-	-	-	-	52,940	1.68
	<b>Total 1 (a+b)</b>	<b>1,30,540</b>	<b>20.74</b>	<b>(77,000)</b>	<b>(2.44)</b>	<b>-</b>	<b>-</b>	<b>53,540</b>	<b>1.70</b>
2.	<b>Acquirers</b>								
	a. Acquirer-1	-	-	9,62,000	30.52	4,09,812	13.00	13,71,812	43.52
	b. Acquirer-2	-	-	9,62,000	30.52	4,09,812	13.00	13,71,812	43.52
	<b>Total 2 (a+b)</b>	<b>-</b>	<b>-</b>	<b>19,24,000</b>	<b>61.03</b>	<b>8,19,624</b>	<b>26.00</b>	<b>27,43,624</b>	<b>87.03</b>
3.	Parties to agreement other than (1)	-	-	-	-	-	-	-	-
4.	Parties (other than promoters, sellers / Acquirers & PACs	-	-	-	-	-	-	-	-
	a. FIs/MFs/FIIs/Banks/SFI	-	-	-	-	-	-	-	-
	b. Others	4,98,860	79.26	6,76,000	21.44	(8,19,624)	(26.00)	3,55,236	11.27
	Total no. of shareholders i.e. 1857 in "Public Category"								
	<b>Total</b>	<b>6,29,400</b>	<b>100</b>	<b>25,23,000</b>	<b>80.03</b>	<b>Nil</b>	<b>Nil</b>	<b>31,52,400</b>	<b>100</b>

§ Computed as a %age of existing equity and voting share capital of KIL.

^ Computed as a %age of Emerging Voting Capital of KIL.

\*M/s Riga Investment & Trading Company Private Limited ("Riga Investment") used to hold shares in physical form and since it got struck off, these shares could not be dematerialised. Therefore, in view of SEBI directive, it would not be legally possible to transfer physical shares in the name of Riga Investment to significant beneficial owners and therefore, these shares have continued to remain in the name of Riga Investment.

5.19 The number of Shareholders in KIL in public category is 1857 as on 31st December, 2023. As on date of this LOF, there are no depository receipts of shares issued in foreign countries. As on date of this LOF, equity shares held by sellers i.e., Chitalia Investments Company Private Limited (38,800 equity shares) and Symphony Investments Company Private Limited (38,800 equity shares) are in dematerialized form. Further, equity shares held by Riga Investment & Trading Company Private Limited (Existing Promoter) and all other public shareholders are in physical form. The Shares held by Chitalia Investments Company Private Limited are dematerialised since April 27, 2023 and Shares held by Symphony Investments Company Private Limited are dematerialised since May 04,2023.

5.20 There are certain delay in compliances with the applicable provisions of the SEBI (SAST) Regulations/ with respect to Regulation 30 and 31(4) of SEBI (SAST) Regulations during a period of eight financial years preceding the financial year in which the Public Announcement for instant open offer has been made, where it has been delayed complied / the proof of submission is not available with Target Company or its existing promoters and those disclosures are also not being disseminated on stock exchange website, hence it is not ascertainable to verify the submission thereof. SEBI may take appropriate action against the Promoter and Promoter Group of Target Company for the same.

Regulation	Due date of Compliance	Actual date of compliance	Delay / Non -Filing	Remarks
30 (1) & 30 (2)	11-Apr-2016	7-Jul-2023	Delay by 2643 days	Delayed Complied
30 (1) & 30 (2)	12-Apr-2017	7-Apr-2017	-	Company and Existing Promoters have earlier filed the said disclosure, however it had some improper information due to human and data error, hence disclosure has been resubmitted again on 07 <sup>th</sup> July, 2023
30 (1) & 30 (2)	10-Apr-2018	23-Apr-2018	Delay by 13 days	Company and Existing Promoters have earlier filed the said disclosure, however it had some improper information due to human and data error, hence disclosure has been resubmitted again on 07 <sup>th</sup> July, 2023
30 (1) & 30 (2)	9-Apr-2019	6-Apr-2019	-	Company and Existing Promoters have earlier filed the said disclosure, however it had some improper information due to human and data error, hence disclosure has been resubmitted again on 07 <sup>th</sup> July, 2023
30 (1) & 30 (2)	1-Jun-2020	4-Nov-2020	Delay by 156 days	Company and Existing Promoters have earlier filed the said disclosure, however it had some improper information due to human and data error, hence disclosure has been resubmitted again on 07 <sup>th</sup> July, 2023
30 (1) & 30 (2)	12-Apr-2021	15-Apr-2021	Delay by 3 days	Company and Existing Promoters have earlier filed the said disclosure, however it had some improper information due to human and data error, hence disclosure has been resubmitted again on 07 <sup>th</sup> July, 2023
31(4)	1-Jun-2020	7-Jul-2023	Delay by 1131 days	Delayed Complied
31(4)	12-Apr-2021	7-Jul-2023	Delay by 816 days	Delayed Complied
31(4)	11-Apr-2022	7-Jul-2023	Delay by 452 days	Delayed Complied
31(4)	13-Apr-2023	12-Jun-2023	Delay by 60 days	Delayed Complied

5.21 The Company is not a sick Company.

5.22 There are no directions subsisting or proceedings pending against the Target Company under SEBI Act, 1992 and regulations made thereunder, also by any regulator.

5.23 Target Company are not registered with any other regulatory / govt. authority in any capacity. There are no regulatory actions / administrative warnings / directions subsisting or proceedings pending against the Target Company or its promoters. There are no penalties levied by SEBI / RBI against the Target Company or its promoters, except penalty of Rs. 3,07,980 imposed on Target Company by BSE Limited for non-compliance with SEBI LODR Regulations, 2015 in terms of SEBI Circular, which has been paid by Target Company vide cheque drawn on Axis Bank dated August 03, 2023.

5.24 No complaint has been received by the Target Company in relation to the open offer.

5.25 Status of corporate governance compliances by KIL: -

The Corporate Governance clauses as enumerated in Regulation 17 to 27 in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to Target Company as the paid up equity capital of Target Company is less than Rs. Ten Crores and Net Worth of Target Company is also less than Rs. Twenty Five Crores. Hence as per Regulation 15 (2), corporate governance provisions specified Regulation 17 to 27 in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to Target Company.

- 5.26 Mr. Anand Lohia was the Company Secretary & Compliance Officer of the Company and his address was 509, Loha Bhavan, 93, P. D'mello Road, Carnac Bunder, Mumbai - 400009; Phone No. +91-22-23480344 / +91 - 9830898807, Email id: [ksh.inv.ltd@gmail.com](mailto:ksh.inv.ltd@gmail.com). He has resigned from the Company with effect from the close of the business hours on 19<sup>th</sup> July, 2023 owing to medical reasons. As informed by the Target Company, Target Company is in process of appointing of new Company Secretary & Compliance Officer.
- 5.27 As informed by the Target Company, Seller Entities are primarily owned by Mr. Pranav Rajkumar and his family.

Following is the shareholding pattern of Seller Entities:

- 2) Chitalia Investments Company Private Limited  
1 - Pranav Rajkumar - 84100 shares of Rs 100 each (99.64%)  
2 - Dipika Agarwal - 300 shares of Rs 100 each (0.36%)

- B) Symphony Investments Company Private Limited  
1 - Pranav Rajkumar - 13300 shares of Rs 10 each (2.59%)  
2 - Dipika Agarwal - 501000 shares of Rs 10 each (97.41%)

Seller entities are duly compliant companies with active status as per MCA portal. Originally, seller entities were engaged in the business of trading, however after Covid-19, they stopped trading activities. Both these companies are majorly holding real estates besides few other assets in their balance sheets.

- 5.28 As informed by the Target Company, M/s Riga Investment & Trading Company Private Limited had been promoted by the. Mr. Pranav Rajkumar along with other family members, which controls Selling Shareholders and Mr. Pranav Rajkumar is common shareholder between Selling Shareholders and Riga Investment & Trading Company Private Limited.

Shareholding of Riga Investment & Trading Company Private Limited

- 1 - Aarvee Family Trust - 2450 shares of Rs 100 each (96.1%)  
2 - Pranav Rajkumar - 100 shares of Rs 100 each (3.9%)

Aarvee Family Trust is a private family trust which is set up by family members of Mr. Pranav Rajkumar. As on date Riga Investment & Trading Company Private Limited is struck off as per MCA records.

- 5.29 As informed by the Target Company, Riga Investment & Trading Company Private Limited had been struck off in 2019 but at that time, it was permitted to transfer shares only in demat form. Due to striking off proceedings, it was not possible to open a demat account in the name of Riga Investment & Trading Company Private Limited and hence it has continued to hold shares as per the shareholders' register till now, Since the name of Riga Investment & Trading Company Private Limited is still in Register of Members, Target Company continued to show the same as Promoters in Shareholding Pattern submitted with Stock Exchange.
- 5.30 As informed by the Target Company, The Corporate Governance clauses as enumerated in Regulation 17 to 27 in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to Target Company as the paid- up equity capital of Target Company is less than Rs. Ten Crores and Net Worth of Target Company is also less than Rs. Twenty- Five Crores. Accordingly in terms of SEBI (LODR) Regulations, 2015, Kshitij Investments Limited is not required to appoint independent director, However, it is required to appoint 1/3<sup>rd</sup> of Directors as independent in accordance with section 149 (4) of Companies Act, 2013. Mr. Ramlakhan Shiv Singh is who had served on the Board of Riga Investment & Trading Company Private Limited before it got struck off in 2019 and thereafter, he could not get retired over last 4 years. Mr. Ramlakhan Shiv Singh had not taken any salary or remuneration from the Promoters of Kshitij Investments Limited or other group companies during last 3 years and he is also not holding any shares of Kshitij Investments Limited or of Riga Investment & Trading Company Private Limited and he was acting in the capacity of Non-Executive Director of Riga Investment & Trading Company Private Limited, hence he was appointed on the board of the Kshitij Investments Limited in 2023. Even after exclusion of Mr. Ramlakhan Shiv Singh as Independent Director of Kshitij Investments Limited, the Kshitij Investments Limited is complying the requirement of 1/3<sup>rd</sup> Independent Directors in accordance with Section 149 (4) of Companies Act, 2013.

- 5.31 Even after completion of Open offer, it would not absolve the erstwhile promoters and the Target Company from the non-compliances committed prior to the Open Offer. Further, penal actions, if any, would continue to be enforced by SEBI / Stock exchanges against the Target Company and erstwhile promoters, even after Acquirers have taken control.

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1 Justification of Offer Price

6.1.1 The Equity Shares of the Target Company are listed on BSE Limited. The shares are placed under Group 'Y' having a Scrip Code of "503626" & Scrip Id: "KSHITIJ" on the BSE.

6.1.2 The equity shares of the Target Company are infrequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations on BSE. The annualized trading turnover of the equity shares of the Target Company on BSE during Twelve calendar months prior to the month of PA date (July, 2022 - June, 2023) is as given below:

Name of the Stock Exchange	Total number of equity shares traded during the preceding 12 months prior to the month of PA	Total Number Equity Shares listed	Annualized Trading Turnover (as % of total Listed Equity Shares)
BSE	0	6,29,400	0.00%

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

- 6.1.3 The Offer Price of Rs 10.20/- (Rupees Ten and Paise Twenty Only) per share, Including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date, is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations on the basis of the following:

SR. NO.	PARTICULARS	PRICE (IN RS. PER SHARE)	
(a)	Highest of Negotiated price per Equity Share of SPA (Rs. 10/- Per Share)/ The price at which equity shares allotted to the Acquirers on preferential basis (Rs. 10/- Per Share)	Rs. 10/-	
(b)	The volume- weighted average price paid or payable for acquisitions by the Acquirers / PACs during 52 weeks immediately preceding the date of PA.	Not Applicable	
(c)	Highest price paid or payable for acquisitions by the Acquirers / PACs during 26 weeks immediately preceding the date of PA.	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. (In case of frequently traded shares only)	Not Applicable	
(e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirers and the Manager to the Offer taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	8.00/-*	
(f)	Other Financial Parameters as at	31.03.2023	31.03.2022
	Return on Net worth (%)	16.91%	1.12%
	Book Value per share	8.02	6.66
	Earnings per share	1.36	0.08

\*The Fair Value of equity share of the Target Company is Rs. 8.00/- (Rupees Eight only) as certified by Suman Kumar Verma, Cost Accountant and Registered Valuer, (IBBI Registration No.: IBBI/RV/05/2019/12376), having her office situated at Lane No.10, Indra Park, Palam Colony, New Delhi-110045, India; Tel. No.: +91 9716633301; Email: [cmaskverma@gmail.com](mailto:cmaskverma@gmail.com); vide valuation certificate dated July 12, 2023 (UDIN: 2328453ZZJUJXOKRM9).

In accordance with SEBI letter dated January 19, 2024, in addition to the offer price mentioned above, the Acquirer shall pay interest @ 10% per annum as prescribed in Regulation 18 (11A) of SEBI (SAST) Regulations for any delay in payment beyond the Scheduled Payment Date (period commencing from the Scheduled Payment Date till the actual date of payment of consideration under the Offer). For the purpose of clarification, it may be noted that the aforesaid interest will be payable to all the successful Public Shareholders, whose Shares are validly tendered and accepted in the Offer. Accordingly, the Offer Price has been revised to Rs. 10.20/- (Rupees Ten and Paise Twenty only) including interest @ 10% per annum per equity share for delay in payment beyond the scheduled payment date per fully paid-up Equity Share of Rs. 10 each.

In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 10.20/- (Rupees Ten and Paise Twenty only) per share being the highest of the prices mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

6.1.4 There has been no corporate action requiring the price parameters to be adjusted.

6.1.5 The Target Company is only listed on BSE Limited and market price of equity shares of Target Company (closing) as on date of public announcement i.e., on 12<sup>th</sup> July, 2023 was Rs. Nil (Not Traded) and market price of equity shares of Target Company (closing) on a day just after public announcement i.e., on 13<sup>th</sup> July, 2023 was Rs. Nil (Not Traded).

6.1.6 In the event of any further acquisition of Equity Shares of the Target Company by Acquirers during the offer period, whether by subscription or purchase, at a price higher than offer price, then offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8 (8) of the SEBI (SAST) Regulations. However, it shall not be acquiring any equity shares of Target Company after the third working day prior to commencement of tendering period and until the expiry of tendering period.

6.1.7 If the Acquirers acquire any Equity Shares of the Target Company during the period of twenty-six weeks after the closure of 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 Equity Shares have been accepted in this 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, 2021 or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.

6.1.8 As on date of this LOF, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers will comply with all the provisions of the Regulation 18(5) of the Takeover Regulations which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

6.1.9 If there is any revision in the Offer Price on account of future purchases / competing offers, it will be done only upto one working day prior to the date of commencement of the tendering period in accordance with Regulation 18(4) of the Takeover Regulations and would be notified to the shareholders by way of another public announcement in the same newspapers where the DPS has appeared. The same will also be informed to SEBI and BSE.

## 6.2 Financial Arrangements

6.2.1 Assuming full acceptance under the offer, the maximum consideration payable by the Acquirers under the offer would be Rs. 83,60,164.80/- (Rupees Eighty Three Lacs Sixty Thousand One Hundred Sixty Four and Paise Eighty Only) ("maximum consideration") i.e. consideration payable for acquisition of 8,19,624 equity shares of the target Company at offer price of Rs. 10.20/- per Equity Share, including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date.

- 6.2.2 The Acquirers have adequate resources to meet the financial requirements of the Open Offer. No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirers.
- 6.2.3 The Acquirers, the Manager to the Offer and Kotak Mahindra Bank Limited, a banking corporation incorporated under the laws of India, have entered into an escrow agreement for the purpose of the Offer (the "Escrow Agreement") in accordance with regulation 17 of the SEBI (SAST) Regulations, 2011. Pursuant to the Escrow Agreement, the Acquirers on 13<sup>th</sup> July, 2023 had deposited cash of an amount of Rs. 81,96,240/- in an escrow account opened with Kotak Mahindra Bank Limited, Further, In line with SEBI letter dated 19<sup>th</sup> January, 2024, the Offer Price has been revised to Rs. 10.20 Per Equity Share to include interest @ 10% per annum, payable on account of delay in payment beyond the scheduled payment date. Accordingly, the Acquirer has deposited additional amount in the Escrow Account of Rs. 2,00,000/- (Rupees Two Lacs only), in cash, so that the amount initially deposited along with the additional amount deposited in the Escrow Account is more than 100% of the Maximum Consideration payable under the Offer. The Acquirers have complied with Regulation 22 (2) of SEBI (SAST) Regulations, 2011 and shall have option to complete the acquisition of shares under SPA and acquire control of Target Company after completion of 21 working days from DPS i.e. on or after 22<sup>nd</sup> August, 2023.
- 6.2.4 The Acquirers have duly empowered Navigant Corporate Advisors Limited, the Manager to the Open Offer, to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- 6.2.5 Further, in order to ensure that the funds that are payable to the Eligible Public Shareholders who tender in the Offer are managed more efficiently, the Acquirers have opened the Offer Special Account with the Kotak Mahindra Bank Limited under the Offer Escrow Agreement, for the purpose of Regulation 21 of the SEBI (SAST) Regulations. The Manager to the Offer has been authorized by the Acquirers to operate and realize the monies lying to the credit of the Offer Special Escrow Account, in accordance with the SEBI (SAST) Regulations.
- 6.2.6 The Manager to the Offer, M/s Navigant Corporate Advisors Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations. The Manager to the Offer, M/s. Navigant Corporate Advisors Limited, hereby confirms that the Acquirers are capable to implement the Offer obligations in accordance with the SEBI (SAST) Regulations.
- 6.2.7 CA Aayush Agrawal (Membership No. 448976), proprietor of M/s. Agrawal Aayush & Associates, Chartered Accountants (Firm Registration No. 032918C) has certified that the Acquirer -1 and Acquirer -2 have sufficient resources to make the fund requirement for fulfilling all the obligations under the Offer.
- 6.2.8 Acquirers hereby undertake that in case of any upward revision of offer price, Acquirers will correspondingly increase the escrow amount.

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

- 7.1. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those public shareholders of KIL (except the Acquirers, Existing Promoters & Sellers) whose name appear on the Register of Members, at the close of business hours on 23<sup>rd</sup> February, 2024 ("**Identified Date**").
- 7.2. All owners of the shares, Registered or Unregistered (except the Acquirers, Existing Promoters & Sellers) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible Persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.
- 7.3. The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. While it would be insured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt the Letter of Offer by any member entitled to this open offer will not invalidate the Offer in any manner whatsoever.
- 7.4. Subject to the conditions governing this Offer, as mentioned in the LOF, the acceptance of this Offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the Offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

#### **7.5. Locked-in Shares:**

There are no locked-in shares in KIL.

#### **7.6. Eligibility for accepting the Offer:**

The Offer is made to all the public shareholders (except the Acquirers, Existing Promoters & Sellers) whose names appeared in the register of shareholders on 23<sup>rd</sup> February, 2024 and also to those persons who own shares any time prior to the closure of the Offer, but are not registered shareholders(s).

#### **7.7. Statutory Approvals and conditions of the Offer:**

7.7.1. To the best of knowledge and belief of the Acquirers, as of the date of this LOF, there are no statutory approvals required for this Offer. However, if any statutory approval that become applicable prior to completion of this Offer, this Offer would also be subject to the receipt of such other statutory approvals that may become applicable at a later date.

7.7.2 Non-resident equity shareholders who wish to tender their equity shares in the Target Company in this Offer will be required to submit all the applicable Reserve Bank of India (hereinafter referred to as "RBI") approvals that they would have obtained for acquiring, the equity shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the equity shares tendered in the Offer.

7.7.3. The Acquirers, in terms of regulation 23 of the SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals which may become applicable and are refused. In the event of withdrawal, a PA will be made within 2 working days of such withdrawal, in the same newspapers in which the DPS has appeared.

7.7.4. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay receipt of the requisite approvals was not due to any wilful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 18(11) of SEBI (SAST) Regulations. Further, if delay occurs on account of wilful default by the Acquirers in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations, will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

7.7.5. No approval is required from any bank or financial institutions for this Offer.

7.7.6. Target Company is not required to obtain NOC from any regulatory / govt. authority for effecting change in control;

7.7.7. The instructions and provisions contained in Form of Acceptance constitute an integral part of the terms of this Offer.

#### **8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT:**

8.1. The Open offer will be implemented by the Acquirers through the Stock Exchange Mechanism made available by the Stock Exchange in the form of a separate window ("Acquisition Window") as provided under the SEBI (SAST) Regulations and SEBI Circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI and as amended by SEBI Circular CFD/DCR/2/CIR/P/2016/131 dated December 09, 2016 and as per further amendment vide SEBI Circular SEBI/HO/CFD/DCR-III/ CIR/P/2021/615 dated August 13, 2021.

8.2. BSE Limited ('BSE') shall be the Designated Stock Exchange for the purpose of tendering equity shares in the Open Offer.

8.3. The facility for Acquisition of shares through Stock exchange Mechanism pursuant to an Open Offer shall be available on the BSE in the form of Separate Window ("Acquisition Window").

8.4. The Acquirers have appointed Allwin Securities Limited, Stock Broker for the open offer through whom the purchases and settlement of the Offer Shares tendered under the Open Offer shall be made. The contact details of the buying broker are as mentioned below:



**Allwin Securities Limited**  
B-205/206, Ramji House,  
30, Jambulwadi, Kalbadevi Road,  
Mumbai-400 002  
Tel: +91-22-4344 6444  
E-mail: [allwinsec@gmail.com](mailto:allwinsec@gmail.com)  
Website: [www.allwinsecurities.com](http://www.allwinsecurities.com)  
SEBI Registration No.: INZ000239635

- 8.5. All the shareholders who desire to tender their equity shares under the Open Offer will have to intimate their respective stock brokers ("Selling Brokers") within the normal trading hours of the Secondary Market, during the Tendering period.
- 8.6. A separate Acquisition Window will be provided by the BSE to facilitate placing of sell orders. The Selling broker can enter orders for dematerialized as well as physical Equity shares.
- 8.7. The cumulative quantity tendered shall be displayed on the Exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering period.
- 8.8. Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer
- 8.9. Shareholders can tender their shares only through a Broker with whom the shareholder is registered as client with KYC Compliant.
- 8.10. Shareholders should not submit/tender their equity shares to Manager to the Open offer, the Acquirer or the Target Company
- 8.11. **Procedure for tendering shares held in Dematerialized Form.**
  - a) 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 broker indicating to their broker the details of equity share they intend to tender in Open Offer.
  - b) The Selling Broker would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the BSE. Before placing the order/bid the Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
  - c) For custodian participant, orders 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 close of trading hours on the last day of the Offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
  - d) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchange/ Clearing Corporation, before the opening of the Offer.
  - e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the Exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
  - f) The shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

**The shareholders holding Equity shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement. The shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.**

- 8.12. **Procedure to be followed by the registered Shareholders holding Equity Shares in physical form:**
  - a) Shareholders who are holding physical equity shares and intend to participate in the offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:

- i. The form of Acceptance-cum-Acknowledgement duly signed (by all equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
- ii. Original Share Certificates;
- iii. Valid shares transfer form(s) duly filled and signed by the transferors (i.e., by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favour of the Acquirers;
- iv. Self-attested copy of the Shareholder's PAN card;
- v. Any other Relevant documents such as (but not limited to):
  - Duly attested power of attorney if any person other than the equity shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;
  - Notarized Copy of death Certificate/ succession certificate or probated will, if the original Shareholder has deceased;
  - Necessary corporate authorizations, such as Board Resolutions etc, in case of companies.
- vi. In addition to the above, if the address of the Shareholders has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.

b) Selling Broker should place order on the Acquisition Window with the relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling broker shall provide a TRS generated by the Exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity shares tendered etc.

c) After placement of order, as mentioned in paragraph 8.12(b), the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, Original share certificate(s), valid share transfer form(s) and other documents (as mentioned in the paragraph 8.12(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscripted as "KIL Open Offer". One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

d) Shareholders holding physical Equity shares should note that the physical equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical equity shares by the Acquirers shall be subjected to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical Bids". Once, Registrar to the Offer confirms the order it will be treated as "Confirmed Bids".

e) In case any person has submitted Equity shares in physical form for dematerialization, such shareholders should ensure that the process of getting the equity shares dematerialized is completed well in time so that they can participate in the offer before the Offer Closing Date.

8.13. Modification/Cancellation of orders will not be allowed during the period the Offer is open.

8.14. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the tendering period

**8.15. Procedure for Tendering the Shares in case of Non-Receipt of the 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 those who have not received the letter of offer, may also participate in this Offer. A shareholder may participate in the Offer by approaching their broker and tender Equity shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Letter of Offer along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as on the Identified date. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or BSE website ([www.bseindia.com](http://www.bseindia.com)) or Merchant Banker's website ([www.navigantcorp.com](http://www.navigantcorp.com)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity shares of the Target Company. Alternatively in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholders, stating name, address, number of shares held, client Id number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share

certificates and Form SH-4 in case of shares being held in physical form. Such Shareholders have to ensure that their order is entered in the electronic platform to be made available by the BSE before the closure of the Offer.

- 8.16. The acceptance of the Offer made by the Acquirers are entirely at the discretion of the shareholders of the Target Company. The Acquirers do not accept any responsibility for the decision of any Shareholder to either participate or to not participate in this Offer. The Acquirers will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the shareholders are advised to adequately safeguard their interest in this regard.

#### **8.17. 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 Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

As per the recent amendment of SEBI vide its circular SEBI/HO/CFD/DCR-III/ CIR/P/2021/615 dated August 13, 2021, in consultation with Depositories, Clearing Corporations and Stock Exchanges, it has been decided that a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the Annexure. All other procedures shall remain unchanged.

#### **8.18. Settlement Process**

- a) 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 Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.
- b) The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer.

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

The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. 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 accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders of the Target

Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

## 9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at Navigant Corporate Advisors Limited, 804, Meadows, Sahar Plaza Complex, J B Nagar, Andheri-Kurla Road, Andheri East, Mumbai-400-059 from 11.30 a.m. to 2.30 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer. Shareholders have option to verify below mentioned records electronically by placing a request on the email i.e., [navigant@navigantcorp.com](mailto:navigant@navigantcorp.com) by providing details such as DP-ID-Client ID and Folio No etc.

- Certificate of Incorporation, Memorandum and Articles of Association of Kshitij Investments Limited.
- Certificate dated 23<sup>rd</sup> June, 2023 issued by CA Aayush Agrawal (Membership No. 448976), proprietor of M/s. Agrawal Aayush & Associates, Chartered Accountants (Firm Registration No. 032918C) certifying the Net worth of Acquirer-1.
- Certificate dated 23<sup>rd</sup> June, 2023 issued by CA Aayush Agrawal (Membership No. 448976), proprietor of M/s. Agrawal Aayush & Associates, Chartered Accountants (Firm Registration No. 032918C) certifying the Net worth of Acquirer-2.
- Annual Reports of Kshitij Investments Limited for year ended on March 31, 2021, 2022 and 2023.
- Bank Statement of Kotak Mahindra Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation.
- Copy of Public Announcement dated 12<sup>th</sup> July, 2023.
- Published copy of the Detailed Public Statement, which appeared in the newspapers on 19<sup>th</sup> July, 2023.
- Copy of Recommendation made by Committee of Independent Directors of KIL dated (.).
- Observation letter no SEBI/HO/CFD/ DCR-2/P/OW/2024/1822/1 dated January 10, 2024 on the Draft Letter of Offer filed with the Securities and Exchange Board of India.
- Memorandum of Understanding between Lead managers i.e., Navigant Corporate Advisors Limited & Acquirers.
- Show Cause Notice (“SCN”) letter number LIST/COMP/LP/SCN/370/2023-2024, dated July 21, 2023 received from BSE and Reply along with Annexures.
- Share Purchase Agreement dated 12<sup>th</sup> July, 2023 entered between Sellers and Acquirers.
- Valuation Report of Kshitij Investments Limited (“Target Company”) dated 12<sup>th</sup> July, 2023 issued by Suman Kumar Verma, Cost Accountant and Registered Valuer, (IBBI Registration No.: IBBI/RV/05/2019/12376) in accordance with Securities and Exchange Board of India (“SEBI”) Substantial Acquisition of Shares and Takeover Regulations, 2011 (“SAST Regulations”).
- ISIN Activation Letter / Depository Agreements entered with National Securities Depository Limited and Central Depository Services (India) Limited by Target Company for established connectivity with both the depositories.
- Copy of Site Visit Report of Target Company dated September 07, 2023 as conducted by Manager to the Offer.
- Compliance status of the Target Company with listing requirements/ LODR Regulations and penal actions which was submitted to SEBI on 14<sup>th</sup> September, 2023.
- Observations of BSE as communicated by SEBI via email dated 16<sup>th</sup> October, 2023 and Reply to that letter along with Letters by Target Company along with its annexures

- BSE communication dated 27<sup>th</sup> October, 2023 to Target Company in furtherance to SCN dated July 21, 2023 and reply by Target Company.
- Letter dated 04<sup>th</sup> December, 2023 with respect to detailed objective of the acquirers with regard to business line in which the acquirers intend to take the target company into.
- Letter of Target Company dated 1<sup>st</sup> January, 2024 disclosing details of site visit of BSE by Company on 21<sup>st</sup> December, 2023.
- Letter dated 22<sup>nd</sup> February, 2024 from the BSE Limited, granting the “In-principle” approval under Regulation 28(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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

We have made all reasonable inquiries, accept responsibility for, and confirm that this LOF contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this LOF is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

We jointly and severally are responsible for ensuring compliance with the Takeover Regulations and the obligations as stated under the Takeover Regulations. All information contained in this document is true and correct as on date of the PA, DPS and this LOF, unless stated otherwise.

We hereby declare and confirm that all the relevant provisions of Companies Act, 2013 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 2013 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

**Signed by Acquirers:**

Sd/-  
Mr. Rahul Agrawal

Sd/-  
Mr. Rohit Agrawal

Place: Pipariya  
Date: 26<sup>th</sup> February, 2024

**ENCLOSURES:**

1. Form of Acceptance cum Acknowledgement
2. Blank Share Transfer Deed(s) in the case of shares held in physical mode.

**FORM OF ACCEPTANCE - CUM - ACKNOWLEDGEMENT  
(FOR HOLDING SHARES IN PHYSICAL FORM)**

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

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

(Please send this Form with TRS generated by Broker and enclosures with enclosures to Purva Share registry (India) Private Limited, Registrar to the Offer at their address given in the Letter of Offer as per mode of delivery in Letter of Offer)

<b>OFFER OPENS ON: MONDAY, 11<sup>TH</sup> MARCH, 2024</b>
<b>OFFER CLOSES ON: FRIDAY, 22<sup>ND</sup> MARCH, 2024</b>

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

**From: -**

Name:

Address:

Status: Resident / Non Resident

Folio No.:	Sr. No:	No of Shares Held:
Tel. No:	Fax No:	E-Mail:

To,  
**Purva Share registry (India) Private Limited**  
Unit No. 9, Shiv Shakti Industrial Estate,  
J. R. Boricha Marg, Near Lodha Excelus,  
Lower Parel (E), Mumbai - 400011  
Tel No.: +91-22-23016761 / 23012518  
E-mail Id: [support@purvashare.com](mailto:support@purvashare.com)  
Investor Grievance Email: [support@purvashare.com](mailto:support@purvashare.com)  
Website: [www.purvashare.com](http://www.purvashare.com)  
SEBI Registration No: INR000001112  
Contact Person: Ms. Deepali Dhuri

Dear Sir,

**Sub.: Cash Offer for purchase of upto 8,19,624 (Eight Lacs Nineteen Thousand Six Hundred Twenty Four) Equity Shares of Kshitij Investments Limited ("KIL") at a price of Rs. 10.20/- (Rupees Ten and Paise Twenty Only) per equity share, including interest @ 10% p.a. for delay in payment beyond Scheduled Payment Date under SEBI (SAST) Regulations, 2011.**

I/We refer to the Letter of Offer dated February 26, 2024 for acquiring the Equity Shares held by me/us in KIL.

I/We, the undersigned, have read the Letter of Offer, Detailed Public Statement and understood their contents including the terms and conditions and procedure as mentioned therein.

**FOR SHARES HELD IN PHYSICAL FORM**

**I/We, hold the following shares in physical form and accept the Offer and enclose the original Share certificate (s) and duly signed share transfer deed (s) in respect of my/our Shares as detailed below:**

Sr. No.	Certificate No.	Distinctive No(s)		No. of Equity Shares
		From	To	
<b>Total Number of Equity Shares</b>				

*(In case the space provided is inadequate, please attach a separate sheet with above details and authenticate the same. Eligible Shareholders holding shares in physical mode should ensure that necessary documents as mentioned in the Letter of Offer for accepting Shares in physical mode shall be provided along with this Form of Acceptance. Eligible Shareholders of the Target Company holding physical shares should note that Physical Shares will not be accepted unless the complete sets of documents are submitted)*

- I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers gives the purchase consideration as mentioned in the Letter of Offer.
- I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.
- I/We note and understand that the Shares would reside with the Registrar to the Offer until the time the Acquirers accepts the Shares Certificates and makes the payment of purchase consideration as mentioned in the LOF.

- I/We confirm that the equity shares of KIL, which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.
- I/We authorize the Acquirers to accept the shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted.
- I/We authorise the Acquirers and the Registrar to the Offer and the Manager to the Offer to send by Registered Post as may be applicable at my/our risk, the draft /cheque/ warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.
- I/We authorize the Acquirers to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirers to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirers are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

**Name and complete address of the Sole/ First holder (in case of member(s), address as registered with KIL:**

**Name**

**Address**

Place: ----- Date: ----- Tel. No(s) : ----- Fax No.: -----

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/sole shareholder and the consideration will be payable by way of ECS Mode/ cheque or demand draft will be drawn accordingly. In order to receive payment consideration through ECS mode, the shareholders are requested to compulsorily provide their following bank details:-

Bank Account No.: -----

Type of Account: ----- (Savings / Current / Other (please specify))

Name of the Bank: -----

Name of the Branch and Address: -----

MICR Code of Bank-----

IFSC Code of Bank-----

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

PAN	1 <sup>st</sup> Shareholder	2 <sup>nd</sup> Shareholder	3 <sup>rd</sup> Shareholder

Enclosure (Please tick)

- ❖ Power of Attorney, if any person apart from the shareholder, has signed the acceptance from or transfer deed(s)
- ❖ Duly attested Death certificate/succession certificate (in case of single shareholders) in case the original shareholders has expired
- ❖ RBI approval (for NRI/OCB/Foreign shareholders)
- ❖ Corporate Authorisation in case of companies along with Board resolutions and specimen signature of authorized signatory
- ❖ Other (please specify)

Yours faithfully,  
Signed and Delivered:

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

**Note:** In case of joint holdings, all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

**INSTRUCTIONS**

1. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
2. The Form of Acceptance should be filled-up in English only.
3. Signature(s) other than in English and Hindi and thumb impressions must be attested by a Notary Public under his Official Seal.

**Mode of tendering the Equity Shares Pursuant to the Offer:**

- I. The acceptance of the Offer made by the Acquirers are entirely at the discretion of the equity shareholder of KIL.
- II. Shareholders of KIL to whom this Offer is being made, are free to offer his / her / their shareholding in KIL for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in the Offer.

Business Hours: Monday to Friday: 10.00 hours to 17.00 hours  
Saturday: 10.00 to 13.00 hours  
Holidays: Sundays, Public Holidays and Bank Holidays

----- Tear along this line -----

**ACKNOWLEDGEMENT SLIP  
KSHITIJ INVESTMENTS LIMITED - CASH OFFER  
FOR SHARES HELD IN PHYSICAL FORM**

Folio No.: \_\_\_\_\_ Serial No. \_\_\_\_\_ Address: \_\_\_\_\_  
Received from Mr. / Ms. \_\_\_\_\_ Form

of Acceptance for \_\_\_\_\_ Shares along with a copy of \_\_\_\_\_  
\_\_\_\_\_ Share Certificate(s) \_\_\_\_\_ Transfer Deed folio number (s) \_\_\_\_\_

For accepting the Offer made by the Acquirers

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer	Date of Receipt

For Future Correspondence, if any, should be addressed to Registrar to the Offer at the following address

**Purva Shareregistry (India) Private Limited**  
Unit No. 9, Shiv Shakti Industrial Estate,  
J. R. Boricha Marg, Near Lodha Excelus,  
Lower Parel (E), Mumbai - 400011  
Tel No.: +91-22-23016761 / 23012518  
E-mail Id: [support@purvashare.com](mailto:support@purvashare.com)  
Investor Grievance Email: [support@purvashare.com](mailto:support@purvashare.com)  
Website: [www.purvashare.com](http://www.purvashare.com)  
SEBI Registration No: INR000001112  
Contact Person: Ms. Deepali Dhuri