

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

"This LoF is sent to you as a shareholder(s) of Mahaan Impex Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager / Registrar to the offer. In case you have recently sold your shares in the Company, please hand over this LoF and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected."

OPEN OFFER BY

BSAFAL INFRAHEIGHTS PRIVATE LIMITED

having its registered office at bSafal House, Nr. Tej Motors, B/h Mirch Masala Restaurant, Off. S. G. Highway, Ahmedabad-380059, Gujarat, India, Tel. No.: +91-79-61900900, Fax No.: +91-79- 61900900; **(Hereinafter referred to as "Acquirer"/"BIPL")**

to

acquire upto 10,66,600 (Ten Lakhs Sixty Six Thousand Six Hundred Only) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each representing 47.51% of the paid-up equity share capital of

MAHAAN IMPEX LIMITED

having its registered office at 2, N.C. Dutta Sarani Sagar Estate, Ground Floor, Unit No. 3, P.S. Hare Street, Kolkata- 700001, West Bengal, India

Tel. No.: +91-6351988376; Website: www.mahaanimpex.com; Email Id: mahaanimpex@gmail.com; **(Hereinafter referred to as "Target Company" / "MIL" / "TC")**



At a price of Rs. 15.15/- (Fifteen Rupees and Fifteen Paise Only) fully paid-up equity share payable in cash, pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations, 2011") and subsequent amendments thereof.

ATTENTION:

1. This offer is being made by the Acquirer pursuant to Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 and subsequent amendments thereto for substantial acquisition of shares and & change in control and the management of the Target Company consequent to the proposed acquisition of the entire holding of the existing promoters by the Acquirer.
2. The offer is not subject to any minimum level of acceptance.
3. The details of statutory approvals required is given in para 7.4 of this Letter of Offer.
4. **THIS OFFER IS NOT A COMPETING OFFER.**
5. If there is any upward revision in the Offer Price by the Acquirer upto three working days prior to the commencement of the tendering period i.e. upto April 9, 2018, Monday or in the case of withdrawal of offer, the same would be informed by way of the Issue Opening Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer for all the shares validly tendered anytime during the offer.
6. **There is no competing offer till date. In case there would be any competing offer, then all the subsisting bids shall open and close on the same dates.**
7. A copy of Public Announcement, Detailed Public Statement, and Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI's web-site: www.sebi.gov.in.

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NO. 20 to 25). FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS LETTER OF OFFER.

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

| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|---|---|
|  <p>Nirbhay Capital Services Private Limited (CIN: U67120GJ2006PTC047985) SEBI Reg. No.: MB/INM000011393 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad- 380 054 Tel. No: +91-79-26870649, Fax No.: +91-79-26870228 E-mail: takeover@nirbhaycapital.com Website: www.nirbhaycapital.com Contact Person: Mr. Akshesh Dave</p> |  <p>Bigshare Services Private Limited (CIN: U99999MH1994PTC076534) SEBI Reg. No.: INR000001385 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai-400059 Tel. No: +91- 22 6263 8200, Fax No: +91-22 6263 8299 E-mail: openoffer@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Vipin Gupta</p> |
| OFFER OPENS ON: APRIL 13, 2018, FRIDAY | OFFER CLOSES ON: APRIL 26, 2018, THURSDAY |

SCHEDULE OF ACTIVITIES OF THE OFFER

| Nature of Activity | Original Date and Day | Revised Date and Day |
|--|--------------------------------|--------------------------------|
| Public Announcement | February 6, 2018 Tuesday | February 6, 2018 Tuesday |
| Detailed Public Statement | February 13, 2018 Tuesday | February 13, 2018 Tuesday |
| Last date of filing of Draft Letter of Offer with SEBI | February 21, 2018 Wednesday | February 21, 2018 Wednesday |
| Last date for a competitive bid, if any | March 8, 2018 Thursday | March 8, 2018 Thursday |
| Identified Date* | March 19, 2018 Monday | March 28, 2018 Wednesday |
| Last Date by which the comments on the offer by the committee of the independent directors constituted by the BoDs of the Target Company | March 28, 2018 Wednesday | April 10, 2018 Tuesday |
| Last Date by which Letter of Offer will be dispatched to the Shareholders | March 26, 2018 Monday | April 7, 2018 Saturday |
| Last date for upward revision of the Offer Price / Offer Size | March 27, 2018 Tuesday | April 9, 2018 Monday |
| Issue of Advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchange and Target Company. | April 3, 2018 Tuesday | April 12, 2018 Thursday |
| Offer Opening Date | April 4, 2018 Wednesday | April 13, 2018 Friday |
| Offer Closing Date | April 17, 2018 Tuesday | April 26, 2018 Thursday |
| Last date for communicating the rejection/acceptance; payment of consideration for accepted tenders / returns of unaccepted shares | May 3, 2018 Thursday | May 11, 2018 Friday |
| Filing of report to SEBI by Manager to the Offer | May 10, 2018 Thursday | May 18, 2018 Friday |

* Identified Date is only for the purpose of determining the names of the shareholders of the Target Company to whom the Letter of Offer would be sent.

RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirer:

(A) Risks involved relating to Transaction

1. The Share Purchase Agreement (SPA) dated February 05, 2018 contains a clause to the effect that the SPA is subject to the provisions of the SEBI (SAST) Regulations and in case of non-compliance of any provisions of the Regulations by the Acquirer or the Sellers, the SPA shall not be acted upon by the parties.

(B) Relating to the Offer

1. Acquirer requires no statutory approvals from any authority to acquire the equity shares tendered pursuant to this Offer. However, this Offer is subject to all statutory approvals that may become applicable at a later date before the completion of the Offer. The Acquirer will not proceed with the Open Offer in the event such statutory approvals that are required are refused in terms of Regulation 23 of SEBI (SAST) Regulations. In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation to stay the offer; or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer proceeds may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of MIL, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of

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

2. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
3. The Acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
4. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer, Draft Letter of Offer (DLOF)/ Detailed Public Statement (DPS)/ Public Announcement (PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.
5. Shareholders should note that those who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

(C) Relating to Acquirer

1. The Acquirer makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirer makes no assurance with respect to their investment/ divestment decisions relating to their proposed shareholding in the Target Company.

The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer.

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1. DEFINITIONS

| S. No. | Abbreviations | Details |
|--------|--|---|
| 1 | Acquirer or The Acquirer or BIPL | Bsafal Infraheights Private Limited |
| 2 | Authorised Share Capital of the Target Company | Rs. 2,25,00,000/- (Rupees Two Crores Twenty Five Lakhs Only) divided into 22,50,000 (Twenty Two Lakhs Fifty Thousands) Equity Shares of Rs. 10/- (Rupees Ten Only) each |
| 3 | Board of Directors / Board of the Target Company | The Board of Directors of Mahaan Impex Limited |
| 4 | Book Value per share | Net worth / Number of equity shares issued |
| 5 | BSE | BSE Limited |
| 6 | Buying Broker | Prabhudas Lilladher Private Limited having its office at 3rd Floor, Sadhana House, 570 P.B. Marg, B/h Mahindra Tower, Worli, Mumbai-400018, Maharashtra, India |
| 7 | CDSL | Central Depository Services (India) Limited |
| 8 | Companies Act | The Companies Act, 1956 or The Companies Act, 2013, as amended from time to time. |
| 9 | Detailed Public Statement or DPS | Detailed Public Statement which appeared in the newspapers on February 13, 2018, Tuesday |
| 10 | DLOO or Draft Letter of Offer or DLOF or Draft LoF | Draft Letter of Offer |
| 11 | Letter of Offer or LoF | This Letter of Offer |
| 12 | EPS | Profit after Tax / Number of Equity Shares |
| 13 | Escrow Agreement | Escrow Agreement dated February 08, 2018, Thursday between the Acquirer, Escrow Agent and Manager to the Offer |
| 14 | Escrow Bank/Escrow Agent | Axis Bank Limited, having one of its branch office at Abhishree Avenue, Nr. Nehrunagar Cross Road, Ambavadi, Ahmedabad-380015, Gujarat, India |

| | | |
|----|--|--|
| 15 | FEMA | The Foreign Exchange Management Act, 1999, as amended or modified from time to time |
| 16 | Form of Acceptance | Form of Acceptance cum Acknowledgement |
| 17 | Identified Date | Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent. |
| 18 | INR or Rs. | Indian Rupees |
| 19 | Manager to the Offer/ Nirbhay / NCSPL / MB / Merchant Banker | Nirbhay Capital Services Private Limited, the Merchant Banker appointed by the Acquirers pursuant to Regulation 12 of the SEBI (SAST) Regulations, having registered office at 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad- 380054 |
| 20 | MIL | Target Company / Mahaan Impex Limited / TC |
| 21 | N.A. | Not Available/ Not Applicable |
| 22 | NECS | National Electronic Clearing Services |
| 23 | NEFT | National Electronic Funds Transfer |
| 24 | Negotiated Price | Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per fully paid-up equity share of face value of Rs.10/- (Rupees Ten only) each. |
| 25 | Net Worth | Equity Share Capital plus Reserve & Surplus excluding Revaluation Reserve minus Debit Balance of P&L or Misc. Exp. not written off. |
| 26 | NRI | Non Resident Indian |
| 27 | NSDL | National Securities Depository Limited |
| 28 | Offer or The Offer or Open Offer | Open Offer for the acquisition of upto 10,66,600 (Ten Lakhs Sixty Six Thousand Sixty Hundred Only) Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each being 47.51% of the paid-up equity share capital of Target Company at a price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per Equity share payable in cash |
| 29 | Offer Period | April 13, 2018, Friday to April 26, 2018, Thursday |
| 30 | Offer Price | Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per fully paid up Equity Share payable in cash |
| 31 | Paid-up Share Capital of the Target Company | The Paid-Up Equity Share Capital of the Target Company is Rs. 2,24,50,000/- (Rupees Two Crores Twenty Four Lakhs Fifty Thousands Only) divided into 22,45,000 Equity Shares of Rs. 10/- (Rupees Ten) each |
| 32 | PAT | Profit After Tax |
| 33 | Persons eligible to participate in the Offer | Registered shareholders of The Mahaan Impex Limited and unregistered shareholders who own the Equity Shares of The Mahaan Impex Limited any time prior to the closure of Offer, including the beneficial owners of the shares held in dematerialised form, for the sale of shares of the Target Company other than the Parties to the SPA i.e. the Acquirer & the Sellers. |
| 34 | Persons not eligible to participate in the Offer | Parties to the Share Purchase Agreement i.e. the Acquirer & the Sellers. |
| 35 | Public Announcement date or PA date | Public Announcement submitted to CSE as well as to SEBI on February 06, 2018, Tuesday |
| 36 | Registrar or Registrar to the Offer | Bigshare Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time |
| 37 | RBI | The Reserve Bank of India |
| 38 | Regulations / SEBI (SAST) Regulations, 2011 / SAST Regulations/Takeover Code | Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof. |
| 39 | Return on Net Worth | (Profit After Tax/ Net Worth) *100 |
| 40 | Rs. Or INR | Indian Rupees |
| 41 | RTGS | Real Time Gross Settlement |
| 42 | SEBI | Securities and Exchange Board of India |
| 43 | SEBI Act | Securities and Exchange Board of India Act, 1992 |
| 44 | SEBI (SAST) Regulations 1997 | Securities and Exchange Board of India (Substantial Acquisition of Shares |

| | | |
|----|-----------------------------------|--|
| | or Old Regulations | and Takeovers) Regulations, 1997, and subsequent amendments thereto |
| 45 | SEBI (LODR) Regulations, 2015 | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto |
| 46 | Sellers/ Promoters | Mrs. Sushma J. Barot, Mr. Dinesh K. Thakkar, Mr. Dixit N. Borisa, Mr. Nitesh P. Pavsar and Mr. Kirtan B. Patel |
| 47 | Share(s) | Equity shares of Mahaan Impex Limited |
| 48 | SPA/Share Purchase Agreement | Share Purchase Agreement dated February 05, 2018 entered between the Acquirer & Sellers |
| 49 | Shareholders//Equity Shareholders | Shareholders of Mahaan Impex Limited other than the Parties to the SPA i.e. the Acquirer & the Sellers |
| 50 | Stock Exchange / CSE | Calcutta Stock Exchange Limited |
| 51 | Target Company or TC or MIL | Mahaan Impex Limited |
| 52 | Tendering Period | April 13, 2018, Friday to April 26, 2018, Thursday |
| 53 | Working Day(s) | A working days of SEBI |

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LOF 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 THE MAHAAN IMPEX LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER “NIRBHAY CAPITAL SERVICES PRIVATE LIMITED” HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 20, 2018 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1. Background of the Offer

3.1.1 The Offer is being made under Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and change in control and management of Target Company.

3.1.2 On February 05, 2018, Bsafal Infraheights Private Limited (hereinafter referred to as “**Acquirer**”/”**BIPL**”), has entered into a Share Purchase Agreement (“**SPA**”) with the promoters of the Target Company naming Mrs. Sushma J. Barot, Mr. Dinesh K. Thakkar, Mr. Dixit N. Borisa, Mr. Nitesh P. Pavsar and Mr. Kirtan B. Patel (hereinafter collectively referred to “**Sellers**”) for the acquisition of 5,94,700 (Five Lakhs Ninety Four Thousands Seven Hundred) Equity Shares (“**Sale Shares**”) of face value of Rs. 10/- (Rupees Ten Only) each representing 26.49% of the paid up equity share capital along with the acquisition of control of the Target Company at a price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise only) per fully paid-up equity shares aggregating to Rs. 90,09,705/- (Rupees Ninety Lakhs Nine Thousand Seven Hundred and Five Only) payable in cash, which has triggered the obligation for making this Open Offer on the Acquirer. There is no person acting in concert with Acquirer in this Open Offer.

The Share Purchase Agreement was signed on 05/02/2018 after closure of business hours after 7:30 pm and received by the Manager to the Offer around 8.00 pm. Hence, the Manager to the Offer was unable to make the public announcement on the same day and it was made on 06/02/2018.

3.1.3 The Offer is not a result of Global Acquisition resulting in indirect acquisition of Target Company.

3.1.4 As on the date of LoF, the Acquirer does not hold any shares in the Target Company.

3.1.5 The Salient features of the SPA are as follows:

- SPA dated February 05, 2018 between Acquirer and Sellers for the acquisition of control and 5,94,700 (Five Lakhs Ninety Four Thousands Seven Hundred) fully paid up equity shares representing 26.49% of the present issued, subscribed and paid up equity capital of the Target Company at a price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise only) per share (“**Sale Shares**”).
- The total consideration for the sale shares is Rs. 90,09,705/- (Rupees Ninety Lakhs Nine Thousand Seven Hundred and Five Only).

- Out of Sale Shares, 5,31,000 (Five Lakhs Thirty One Thousand) Equity Shares representing 23.65% of the paid up equity share capital of the Target Company are under lock-in up to 31.12.2018 and would be transferred to the Acquirer subject to the remaining period of lock-in.
 - The Acquirer agrees to take steps to comply with the regulations and to comply with all laws that may be required to give effect to the sale shares.
 - Acquirer and Sellers except other all legal remedies may terminate this agreement in the event of non-compliance of any provision of the Regulations; the SPA for such sale shares shall not be acted upon by the Sellers or Acquirer.
- 3.1.6 There is no separate arrangement for the proposed change in control of the Target Company except for the terms as mentioned in SPA entered between Acquirer and Sellers.
- 3.1.7 The Acquirer, its directors and promoters have not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 as amended or under any other regulations made under SEBI Act.
- 3.1.8 The Acquirer, its directors and promoters have not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- 3.1.9 During the offer period, no person representing the Acquirer would be appointed on the Board of Target Company in accordance with Regulation 24(1) of Regulations. The Acquirer intends to seek a reconstitution of Board of Directors of the Target Company after successful completion of Offer.
- 3.1.10 The recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy whereof shall be sent to SEBI, CSE and Manager to the Offer and in case of a competing offer/s to the manager/s to the open offer for every competing offer.

3.2. Details of the Proposed Offer

- 3.2.1 In accordance with Regulations 13(1) and 14(3) of SEBI (SAST) Regulations, 2011, Acquirer has made Public Announcement on February 06, 2018 to SEBI, CSE and TC and Detailed Public Statement on February 13, 2018 which was published in the following newspapers:

| Publication | Editions |
|-----------------------------|-----------------|
| Business Standard (English) | All Editions |
| Business Standard (Hindi) | All Editions |
| Janta Express (Bengali) | Kolkata Edition |

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in

- 3.2.2 Acquirer has made this Open Offer in terms of SEBI (SAST) Regulations, 2011 to the shareholders of Target Company (other than the Parties to the SPA i.e. the Acquirer & the Sellers) to acquire upto 10,66,600 (Ten Lakhs Sixty Six Thousand Six Hundred Only) fully paid up Equity Shares of Rs. 10/- (Rupees Ten Only) each representing 47.51% of the paid-up equity share capital of the Target Company at a price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per fully paid up Equity Share ("Offer Price"), payable in cash subject to the terms and conditions set out in the PA, DPS and this Letter of Offer.
- 3.2.3 There is no partly paid up shares and no outstanding instruments in the nature of warrants / fully convertible debentures /partly convertible debentures etc which are convertible into equity at any later date in the Target Company.
- 3.2.4 There is no differential pricing in the Offer.
- 3.2.5 This is not a competitive Bid.

- 3.2.6 The Offer is not a conditional offer and is not subject to any minimum level of acceptance from the shareholders. The Acquirer will accept the Equity Shares of the Target Company those are tendered in valid form in terms of this offer upto a maximum of 10,66,600 (Ten Lakhs Sixty Six Thousand Six Hundred Only) Equity Shares representing 47.51% of the paid-up equity share capital of the Target Company.
- 3.2.7 Acquirer has not acquired any shares of Target Company after PA date and upto the date of this LoF.
- 3.2.8 The Equity Shares of the Target Company will be acquired by the Acquirer as fully paid up, free from all liens, charges and encumbrances and together with rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof except 5,31,000 (Five Lakhs Thirty One Thousand) Equity Shares representing 23.65% of the paid-up equity share capital of the Target Company held by the Sellers/Promoters are under lock-in upto 31.12.2018.
- 3.2.9 Upon completion of the Offer, assuming full acceptances in the Offer, Acquirer would hold 16,61,300 (Sixteen Lakhs Sixty One Thousand Three Hundred Only) Equity Shares constituting 74.00% of the paid-up equity share capital of the Target Company as on the tenth working day after the closure of the Tendering Period.
- 3.2.10 The Manager to the Offer, Nirbhay Capital Services Private Limited does not hold any Equity Shares in the Target Company as at the date of DPS and this LoF. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.

3.3 Object of the Acquisition/ Offer

- 3.3.1 On February 05, 2018, Bsafal Infraheights Private Limited (hereinafter referred to as “**Acquirer**”/”**BIPL**”), has entered into a Share Purchase Agreement (“**SPA**”) with the promoters of the Target Company naming Mrs. Sushma J. Barot, Mr. Dinesh K. Thakkar, Mr. Dixit N. Borisa, Mr. Nitesh P. Pavsar and Mr. Kirtan B. Patel (hereinafter collectively referred to “**Sellers**”) for the acquisition of 5,94,700 (Five Lakhs Ninety Four Thousand Seven Hundred) Equity Shares (“**Sale Shares**”) of face value of Rs. 10/- (Rupees Ten Only) each representing 26.49% of the paid up equity share capital along with the acquisition of control of the Target Company at a price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per fully paid-up equity shares aggregating to Rs. 90,09,705/- (Rupees Ninety Lakhs Nine Thousand Seven Hundred and Five Only) payable in cash, which has triggered the obligation on the Acquirer to make this Open Offer. The Offer is not a result of Global Acquisition resulting in indirect acquisition of Target Company. As on the date of this LoF, the Acquirer does not hold any shares in the Target Company.

The Share Purchase Agreement was signed on 05/02/2018 after closure of business hours after 7:30 pm and received by the Manager to the Offer around 8.00 pm. Hence, the Manager to the Offer was unable to make the public announcement on the same day and it was made on 06/02/2018.

- 3.3.2 This Open Offer is for acquisition of 47.51% of the present issued, subscribed and paid up equity share capital of the Target Company. After the completion of this Open Offer and pursuant to the acquisition of shares under SPA, the Acquirer shall become the single largest Equity Shareholder group with clear majority, by virtue of which it shall be in a position to exercise effective control over the management and affairs of Target Company.
- 3.3.3 The prime object of the Offer is to acquire substantial stake & change the control and management of the Target Company. The Acquirer is engaged in the business of real estate, construction and development and Promoter as well as Directors of Acquirer are well educated young, dynamic and enthusiastic business entrepreneur and having considering the numerous advantages of running a listed entity in the present scenario, they have decided to take over the control and management of the Target Company in due compliance of SEBI (SAST) Regulations, 2011. The Acquirer will continue the existing line of business of Target Company and may be diversified into other business if the company

comes across lucrative business opportunities after successful completion of present open offer with prior consent of shareholders and in accordance with the laws applicable.

- 3.3.4 The Acquirer does not have any plans to alienate any significant assets of the target company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in ordinary course of business of the target company. Target Company's future policy for disposal of its assets, if any, for two years from the completion of offer will be decided by the board of directors, subject to the applicable provisions of the law and subject to approval of the shareholders through special resolution passed by way of postal ballot in terms of regulation 25(2) of SEBI (SAST) Regulations.

4. BACKGROUND OF THE ACQUIRER: BSAFAL INFRAHEIGHTS PRIVATE LIMITED (“ACQUIRER”/“BIPL”)

4.1 Bsafal Infraheights Private Limited (“Acquirer”/“BIPL”) is a private limited company incorporated under the provisions of the Companies Act, 2013 (CIN: U70100GJ2016PTC093689) on September 12, 2016 with the name and style of “Bsafal Infraheights Private Limited” registered with the Registrar of Companies, Gujarat, India. The registered office of BIPL is presently situated at bSafal House, Nr. Tej Motors, B/h Mirch Masala Restaurant, Off. S. G. Highway, Ahmedabad-380059, Gujarat, India, Tel. No.: +91-79-61900900, Fax No.: +91-79-61900900, Email: darshit.s@bsafal.com. The Acquirer is engaged in the business of real estate, construction and development.

4.2 The Equity Shares tendered in this Offer will be acquired solely by Acquirer and there is no person acting in concert with Acquirer in this Open Offer.

4.3 The Acquirer is promoted by Mr. Rajesh Brahmbhatt and Mr. Rupesh Brahmbhatt. The present authorised share capital of Acquirer is Rs. 1,65,00,000/- (Rupees One Crore Sixty Five Lakhs Only) representing 10,40,000 (Ten Lakhs Forty Thousands) equity shares of Rs. 10/- (Rupees Ten Only) each and 6,10,000 (Six Lakhs Ten Thousands) optionally convertible redeemable preference shares of Rs. 10/- (Rupees Ten Only) each. The equity shares of BIPL are not listed on any stock exchange.

4.4 The paid-up equity share capital of Acquirer is Rs. 45,10,000/- (Rupees Forty Five Lakhs Ten Thousands Only) comprising of 4,51,000 (Four Lakhs Fifty One Thousands) equity shares of Rs.10/- (Rupees Ten Only) each, fully paid up as under:

| Sr. No. | Name of the Shareholders | No. of Shares held | % of Shareholding |
|---------|--------------------------|--------------------|-------------------|
| 1 | Brahmbhatt Family Trust | 4,50,000 | 99.78 |
| 2 | Mr. Rupesh Brahmbhatt | 500 | 0.11 |
| 3 | Mr. Rajesh Brahmbhatt | 500 | 0.11 |
| | Total | 4,51,000 | 100.00 |

4.5 The paid-up optionally convertible redeemable preference shares of Acquirer is Rs. 61,00,000/- (Rupees Sixty One Lakhs Only) comprising of 6,10,000 (Six Lakhs Ten Thousands) optionally convertible redeemable preference shares of Rs. 10/- (Rupees Ten Only) each fully paid up as under:

| Sr. No. | Name of the Shareholders | No. of Shares held | % of Shareholding |
|---------|-------------------------------------|--------------------|-------------------|
| 1 | Brahmbhatt Family Trust | 4,50,000 | 73.77 |
| 2 | Mr. Rupesh Brahmbhatt | 5,001 | 00.82 |
| 3 | Mr. Rajesh Brahmbhatt | 1,45,000 | 23.77 |
| 4 | Safal Constructions Private Limited | 9,999 | 01.64 |
| | Total | 6,10,000 | 100.00 |

4.6 Category wise shareholding pattern:

| Sr. No. | Shareholder's Category | No. and Percentage of Shares Held | |
|---------|-----------------------------|-----------------------------------|-------------------|
| | | Equity Shares | Preference Shares |
| 1 | Promoter and Promoter Group | 4,51,000 | 6,10,000 |
| 2 | FII/Mutual Funds/FIs/Banks | Nil | Nil |
| 3 | Public | Nil | Nil |
| | Total Paid Up Capital | 4,51,000 | 6,10,000 |

4.7 The Directors of Acquirer are as follows:

| Name of the Director | DIN | Date of appointment | Qualification | Experience |
|------------------------------|----------|---------------------|---------------|--|
| Mr. Rajeshkumar B. Brahmhatt | 00055260 | 12/09/2016 | B.E. (Civil) | 23 years in construction activities |
| Mr. Rupeshkumar B. Brahmhatt | 00329835 | 12/09/2016 | B.A. | 18 years in construction and legal affairs |
| Mr. Manish G. Shah | 02079866 | 10/10/2017 | B.Com. | 17 years in purchase department |

None of the above Directors are on the Board of the Target Company and not hold any share in the Target Company. Mr. Rajeshkumar B. Brahmhatt and Mr. Rupeshkumar B. Brahmhatt, directors and promoters of the Acquirer are brothers.

4.8 BIPL is not forming part of the present Promoter Group of the Target Company. The Acquirer does not have any relation with the Target Company nor have any interest in the Target Company prior to the date of the PA. Further, no nominee(s) representing BIPL is/are on the Board of Directors of the Target Company. None of the directors or key managerial employees of BIPL hold any ownership / interest / relationship / directorship / shares in the Target Company.

Neither Acquirer nor its directors nor its key employees has acquired any Equity Shares in the Target Company except as mentioned above in Para 3 (i.e. via Share Purchase Agreement dated February 05, 2018) nor acquired any share of the Target Company in the past. Accordingly, the requirement to comply with the disclosures to be made under Chapter II / Chapter V of SEBI (SAST) Regulations, 1997/2011 is not applicable to them.

4.9 The key financial information of the Acquirer based on the financial statements for the financial year ended March 31, 2017 and for nine months ended December 31, 2017 is as follows:

| Profit & Loss Statement | Amount (Rs. In Lakhs) | |
|---|---|---|
| | Year ended March 31, 2017 (Audited) | Nine Months ended December 31, 2017 (Unaudited) |
| Income from Operations | ----- | ----- |
| Other Income | ----- | ----- |
| Closing WIP | 25.61 | 39.56 |
| Total Income/Revenue | 25.61 | 39.56 |
| Total Expenditure | 28.74 | 39.56 |
| Profit Before Depreciation Interest and Tax | (3.13) | ----- |
| Depreciation | ----- | ----- |
| Interest | ----- | ----- |
| Profit/ (Loss) Before Tax | (3.13) | ----- |
| Provision for Tax | ----- | ----- |
| Profit/ (Loss) After Tax | (3.13) | ----- |

| Balance Sheet Statement | Year ended March 31, 2017 (Audited) | Nine Months ended December 31, 2017 (Unaudited) |
|---|--|--|
| Sources of funds | | |
| Paid up share capital | 45.10 | 106.10 |
| Share Application Money | 61 | ----- |
| Reserves and Surplus (Excl. Revaluation Reserves) | 14,730.63 | 14,730.63 |
| Secured loans | ----- | ----- |
| Unsecured loans | 2508.40 | 2829.41 |
| Current Liabilities | 14.47 | 0.28 |
| Creditors | 411.31 | 22.55 |
| Provisions | ----- | ----- |
| Total | 17,770.91 | 17,688.97 |
| Uses of funds | | |
| Net fixed assets | ----- | ----- |
| Investments | 240.00 | 240.00 |
| Long Term Loans and Advances | 10.71 | 10.71 |
| Current Assets | | |
| Inventory | 17,315.62 | 17,355.18 |
| Sundry Debtors | ----- | ----- |
| Cash & Bank | 154.58 | 14.26 |
| Short Term Loans & Advances | 50.00 | 68.82 |
| Total | 17770.91 | 17,688.97 |

| Other Financial Data | Year ended March 31, 2017 (Audited) | Nine Months ended December 31, 2017 (Unaudited) |
|---------------------------------|--|--|
| Networth (Rs. In Lacs) | 14,836.73 | 14,836.73 |
| Dividend (%) | ----- | ----- |
| Earnings Per Share (Rs.) | (0.69) | ----- |
| Return on Networth (%) | (0.02) | ----- |
| Net Asset Value Per Share (Rs.) | 3289.74 | 3289.74 |

(Source: as certified by Mr. Vineet Kanodia (Membership No. 143119), Proprietor of V K Kanodia & Co, Chartered Accountants (FRN No. 133204W) having its Office at C-12, Vaibhav Apartments(I), Opp. Bombay Garage, Shahibaug, Ahmedabad-380004, Ph.: +91-99987 71365, E-mail: vineet_kk1@rediffmail.com vide certificate dated February 8, 2018)

- 4.10 There are no major contingent liabilities with the acquirer.
- 4.11 There is no person acting in concert with Acquirer in this Open Offer.
- 4.12 The Acquirer its directors and promoters have not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 as amended or any other regulations made under SEBI Act.
- 4.13 The Acquirer, its directors and promoters have not been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

5. DETAILS OF THE TARGET COMPANY- MAHAAN IMPEX LIMITED ("TARGET COMPANY" /"TC" /"MIL")

- 5.1 Target Company was incorporated as a public limited company on October 15, 1982 under the provisions of the Companies Act, 1956. The CIN of Target Company is L67120WB1982PLC035341. The Target

Company commenced its business from November 16, 1982. The registered office of the Target Company is presently situated at 2, N.C. Dutta Sarani Sagar Estate, Ground Floor, Unit No. 3, P.S. Hare Street, Kolkata- 700001, West Bengal, India. The corporate office of the Target Company is presently situated at 507, Golden Triangle, Nr. Sardar Patel Stadium, Navrangpura, Ahmedabad-380014, Gujarat, India.

The Target Company has made an application before the Regional Director, Eastern Region, Kolkata to change its registered office from the State of West Bengal to the State of Gujarat under section 13(4) of the Companies Act, 2013 and, presently, the same is under process.

The Target Company is presently carrying wholesale trading business in textile industry. The name of the Target Company has not undergone any change in the last three years.

5.2 The authorised share capital of the Target Company is Rs. 2,25,00,000/- (Rupees Two Crores Twenty Five Lakhs Only), divided into 22,50,000 (Twenty Two Lakhs Fifty Thousands) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The Paid-Up Equity Share Capital of the Target Company is Rs. 2,24,50,000/- (Rupees Two Crores Twenty Four Lakhs Fifty Thousands Only) divided into 22,45,000 (Twenty Two Lakhs Forty Five Thousands) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

5.3 Share capital structure of the Target Company as on the date of LoF is as follows:

| Paid up Equity Shares of Target Company | No. of Shares/ voting rights | % of voting rights |
|--|--|---------------------------|
| Fully paid up equity shares | 22,45,000 Equity Shares of Rs. 10/- each | 100% |
| Partly paid up equity shares | Nil | Nil |
| Total paid up equity shares | 22,45,000 Equity Shares of Rs. 10/- each | 100% |
| Total voting rights in TC | 22,45,000 Equity Shares of Rs. 10/- each | 100% |

The Equity Shares of Target Company are listed on the Calcutta Stock Exchange Limited ("CSE"/"Stock Exchange"). Scrip ID: MAHAANIMPEX, Scrip Code: 023490 and are infrequently traded on the Stock Exchange within the meaning of the explanation provided to regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011 as on the date of PA. Further, the Target Company has made application to BSE Limited ("BSE") for listing of its equity shares under direct listing norms on February 20, 2016 and presently the same is under process.

The Equity Shares of the Target Company were suspended by CSE w.e.f. March 21, 2014 from trading due to non-compliance with Listing Agreement. The said suspension was revoked and admitted for dealing by CSE w.e.f. July 20, 2015 (Source: www.cse-india.com).

The Target Company has written to the CSE vide its letters dated January 19, 2018 and April 2, 2018 to provide the information in respect of non-compliance, if any, till date of the various clauses of the Listing Agreement. In that respect, no communication is received from CSE as on the date of this LoF.

5.4 As on date of this LoF, there is no partly paid up shares and no outstanding instruments in the nature of warrants / fully convertible debentures /partly convertible debentures etc which are convertible into equity at any later date in the Target Company.

5.5 The Target Company had made Preferential Issue of 20,00,000 (Twenty Lakhs) Equity Shares and allotted the same to the Existing Promoters and others i.e. to the persons other than Promoters in December, 2015. The allotments in respect of the said preferential issue were made on various dates in trenches i.e. on 02.12.2015, 04.12.2015, 08.12.2015, 09.12.2015 and 14.12.2015.

Upon verification of the documents and information provided by the Target Company in respect of said Preferential Issue, following observations are made:

- The Target Company had allotted 5,31,000 (Five Lakhs Thirty One Thousand) Equity Shares, constituting 23.65% of post issue paid up share capital, under the said preferential issue to the Promoters who were holding 63,700 (Sixty Three Thousands Seven Hundred) Equity Shares in physical

form prior to the said allotment and the same is not converted in dematerialized form till the date of this LoF.

- In respect of the said preferential issue, the Target Company had not allotted the equity shares within the time period of 15 (Fifteen) days prescribed under regulation 74(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as the in-principle approval from CSE was received on 27.11.2015 and, as clarified by the Target Company, the last date of allotment i.e. 14.12.2015 is considered as the date of allotment for the purpose of listing.
- The Target Company has not provided copy of newspaper advertisement which is required to be published immediately after dispatch of notice of the Annual General Meeting (AGM) in which special resolution was passed for the above preferential issue. However, the Target Company has provided a proof of dispatch of notice of the said AGM.

SEBI may initiate appropriate action against the Target Company for possible violations, if any, of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 relating to the aforesaid preferential issue of shares.

5.6 There has been no merger/de-merger, spin off during last 3 years involving the Target Company.

5.7 As on the date of this LoF, the composition of the Board of Directors of MIL is as under:

| Sr. No. | Name and Address of Director | Designation | Date of Appointment |
|---------|--|---|---------------------|
| 1 | Mr. Sunil K. Jain Address: O-2, Ramkutir, Chandlodia, Ahmedabad-382481, Gujarat, India | Managing Director (Non-Independent) | 22/06/2015 |
| 2 | Mrs. Nila J. Gohel Address: T-1, Jaysurya Flat, Vastrapur Railway Crossing, Vejalpur Ahmedabad-380051, Gujarat, India | Director (Independent) | 25/02/2015 |
| 3 | Mr. Rakesh C. Makwana Address: I-10, Gujarat Housing Board Staff Flats, Kirnpark, Nr. Sanghavi Rly. Crossing, Nava Vadaj, Ahmedabad-380013 Gujarat, India | Director (Independent) | 24/08/2016 |
| 4 | Mr. Vishnu B Malvi Address: 999, Bhurabhais Chawl, Near Nima School, Bhimjipura, Ahmedabad- 380013, Gujarat, India | Director (Independent) | 02/09/2016 |

5.8 The financial information of Target Company based on the financial statements for the financial year ended March 31, 2015, March 31, 2016, March 31, 2017 and for the half year ended September 30, 2017 are as follows:

Amount (In Rs. Lakhs)

| Profit & Loss Statement | Half Year ended September 30, 2017 (Unaudited) | Year Ended March 31, 2017 (Audited) | Year Ended March 31, 2016 (Audited) | Year Ended March 31, 2015 (Audited) |
|--|--|--|--|--|
| Income from Operations | 47.78 | 174.66 | 34.04 | 6.35 |
| Other Income | 1.11 | 13.84 | 4.50 | 1.39 |
| Total Income | 48.89 | 188.50 | 38.54 | 7.74 |
| Total Expenditure | 45.25 | 184.15 | 37.01 | 7.07 |
| Profit before Depreciation, Interest & Tax | 3.64 | 4.35 | 1.53 | 0.67 |

| | | | | |
|--|------|------|------|------|
| Depreciation | 1.57 | 1.75 | - | - |
| Interest | - | - | - | - |
| Profit before Tax & Extra Ordinary Items | 2.07 | 2.60 | 1.53 | 0.67 |
| Extra Ordinary Items | - | - | - | - |
| Profit Before Tax | 2.07 | 0.80 | 1.53 | 0.67 |
| Provision for Tax Short & Excess | 0.64 | 0.80 | 0.47 | 0.23 |
| Profit After Tax | 1.43 | 1.80 | 1.06 | 0.45 |

| Balance Sheet Statement | Half Year Ended September 30, 2017 (Unaudited) | Year Ended March 31, 2017 (Audited) | Year Ended March 31, 2016 (Audited) | Year Ended March 31, 2015 (Audited) |
|--|---|--|--|--|
| Sources of Funds | | | | |
| Paid-up Share Capital | 224.50 | 224.50 | 224.50 | 24.50 |
| Share Application Money | - | - | - | - |
| Reserves & Surplus (Excluding Revaluation Reserve) | 110.32 | 108.89 | 107.09 | 6.04 |
| Secured Loan | - | - | - | - |
| Unsecured Loan | - | - | - | - |
| Current Liabilities | | | | |
| Creditors | 15.25 | 41.55 | 134.32 | 0.06 |
| Provisions | 2.13 | 1.49 | 0.88 | 0.21 |
| Total | 352.20 | 376.43 | 466.79 | 30.81 |
| Uses of Funds | | | | |
| Non Current Assets | | | | |
| Fixed Assets | 15.89 | 17.46 | 0.21 | 0.21 |
| Investment | 8.90 | 8.90 | 10.04 | 8.90 |
| Long term loans & advances | 181.89 | 212.24 | 244.64 | 0.28 |
| Current Assets | 1.82 | 1.70 | 0.58 | 0.13 |
| Inventory | 65.50 | 103.86 | 170.89 | 17.66 |
| Sundry Debtors | 77.78 | 30.00 | 38.29 | - |
| Cash & Bank | 0.42 | 2.27 | 2.14 | 3.63 |
| Total | 352.20 | 376.43 | 466.79 | 30.81 |

Other Financial Data:

| Other Financial Data | Half Year Ended September 30, 2017 (Unaudited) | Year Ended March 31, 2017 (Audited) | Year Ended March 31, 2016 (Audited) | Year Ended March 31, 2015 (Audited) |
|------------------------------------|---|--|--|--|
| Net Worth (Rs. In Lakhs) | 334.82 | 333.39 | 331.59 | 30.54 |
| Dividend (In %) | - | - | - | - |
| Earnings Per Share (Rs. Per Share) | 0.06 | 0.08 | 0.13 | 0.18 |
| Return on Net Worth (In %) | 0.43 | 0.54 | 0.32 | 1.46 |
| Net Asset Value (Rs. Per Share) | 14.91 | 14.85 | 14.77 | 1.36 |

(Source- as certified by Vishves A. Shah (Membership No. 109944), Proprietor of Vishves A. Shah & Co., Chartered Accountants (FRN No. 121356W) having its Office at 316, Abhishek Plaza, B/h Navgujarat College, Income Tax, Ahmedabad – 380014, Ph.: +91 98254 71182 & +91 93777 71182; E-mail: vishvesca@gmail.com vide certificate dated February 08, 2018).

5.9 Pre and Post Offer shareholding pattern of the Target Company as on the date of LoF is as follows:

| Sr. No. | Shareholder Category | Shareholding & | | Shares/voting rights agreed to be acquired | | Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance) | | Shareholding/ | |
|---------|---|----------------------------|--------------|--|-------|--|--------|---|-------|
| | | Voting rights prior to the | | Which triggered off the | | (C) | | voting rights after the acquisition and Offer | |
| | | Agreement/ | | Regulations | | | | i.e. | |
| | | acquisition and Offer | | (B) | | | | (A+B+C) | |
| | | (A) | | | | | | | |
| 1 | Promoter Group | | | | | | | | |
| | a. Parties to agreement, if any | 5,94,700 | 26.49 | - | - | - | - | - | - |
| | 1. Mrs. Sushma Barot | 122000 | 5.43 | | | | | | |
| | 2. Mr. Dinesh Thakkar | 117000 | 5.21 | | | | | | |
| | 3. Mr. Dixit Borisa | 116500 | 5.19 | | | | | | |
| | 4. Mr. Nitesh Pavskar | 117500 | 5.23 | | | | | | |
| | 5. Mr. Kirtan Patel | 121700 | 5.42 | | | | | | |
| | b. Promoters other than (a) above | - | - | - | - | - | - | - | - |
| | Total 1 (a+b) | 5,94,700 | 26.49 | - | - | - | - | 5,94,700 | 26.49 |
| 2 | Acquirer | - | - | 5,94,700 | 26.49 | 10,66,600 | 47.51 | 16,61,300 | 74 |
| | Bsafal Infraheights Private Limited | | | | | | | | |
| | Total 2 | 5,94,700 | 26.49 | 5,94,700 | 26.49 | 10,66,600 | 47.51 | 16,61,300 | 74 |
| 3 | Parties to the agreement other than 1(a) & 2 | - | - | - | - | - | - | - | - |
| 4 | Public | | | | | | | | |
| | a. Fls / MFs / FIIIs / Banks, SFIs | - | - | - | - | - | - | - | - |
| | b. Others | 16,50,300 | 73.51 | - | - | (10,66,600) | -47.51 | 5,83,700 | 26 |
| | Total (4)(a+b) | 16,50,300 | 73.51 | - | - | (10,66,600) | -47.51 | 5,83,700 | 26 |
| | Total (1+2+3+4) | 22,45,000 | 100 | - | - | - | - | 22,45,000 | 100 |

Notes: The data within bracket indicates sale of equity shares.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

- 6.1.1 The Offer is made pursuant to the direct acquisition of shares and control over the Target Company by the Acquirer. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 6.1.2 As on the date of PA the Equity Shares of the Target Company were listed and traded on CSE but were infrequently traded within the meaning of definition of “frequently traded shares” under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations) as on PA date.
- 6.1.3 The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA date (February 2017 to January 2018) is as given below.

| Name of the Stock Exchange | Total no. of Equity Shares traded during February 2017 to January 2018 | Total no of listed shares | Annualized trading turnover (% to total listed shares) |
|---------------------------------|--|---------------------------|--|
| Calcutta Stock Exchange Limited | Nil | 22,45,000 | Nil |

The Offer Price of Rs.15.15/- (Rupees Fifteen and Fifteen Paise Only) is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations being the highest of the following:

| | |
|---|----------------|
| Highest Negotiated Price per Share (as per SPA) | Rs. 15.15 |
| Volume Weighted Average Price paid by Acquirer/PAC, if any during the fifty-two weeks preceding the date of Public Announcement | Not Applicable |
| Highest Price Paid for any Acquisition by the Acquirer / PAC in the twenty-six weeks preceding the date of the Public Announcement | Not Applicable |
| Volume Weighted Average Market Price for the Equity Shares of the Target company during the period of 60 trading days preceding the date of the Public Announcement provided the Equity Shares are frequently traded. | Not Applicable |
| Other Parameters based on Audited Accounts for the period ended March 31, 2017. | March 31, 2017 |
| Return on Net Worth (%) | 0.54 |
| Book Value per Share (Rs.)* (Net Assets/ No. of Shares) (Value of land as per Financial Statement Cost Rs.20,981, For Valuation Purpose Market Value Consider Approx. Rs.7,00,000) | 15.15 |
| Earnings per Share (Rs.)* | 0.08 |
| Price Earning Multiple | 1.33 |
| The average industry PE ratio for the sector in which operates is (Source: Capital Market Journal Edition: Feb 12-25, 2018, Industry: Textile-Cotton/Blended) | 22.7 |

(Source- as certified by Vishves A. Shah (Membership No. 109944), Proprietor of Vishves A. Shah & Co., Chartered Accountants (FRN No. 121356W) having its Office at 316, Abhishek Plaza, B/h Navgujarat College, Income Tax, Ahmedabad-380014, Ph.: +91-9825471182 & +91-9377771182; E-mail: vishvesca@gmail.com vide certificate dated February 12, 2018).

In view of parameters considered and presented in the table above, in the opinion of Acquirer and Manager to the Offer, the Offer Price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

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

- 6.1.5 In the event of further acquisition of equity shares of the Target Company by Acquirer 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 the Target Company after the third working day prior to commencement of the tendering period and until the expiry of the tendering period.
- 6.1.6 The Acquirers shall disclose during the offer period every acquisition made by them of any equity shares of the Target Company to the stock exchanges and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6) of SEBI (SAST) Regulations.
- 6.1.7 If the Acquirer acquires equity shares of the Target Company during the period of twenty six weeks after the tendering period at a price higher than offer price, then Acquirer shall pay the difference between the highest acquisition price and offer price to all the shareholders whose shares have been accepted in the offer within sixty days from the date of acquisition. However, no such difference shall be paid in event that such acquisition is made under an open offer under the SEBI(SAST)Regulations or pursuant to the SEBI (Delisting of equity shares) Regulations, 2009 or open market purchase made in the ordinary course on the stock exchange not being negotiated acquisition of shares of the target company in any form.
- 6.1.8 As on the date, there is no revision in the open offer size or open offer price. In case of any revision in the open offer size or open offer price, the Acquirer shall comply with Regulation 18 of SEBI(SAST)Regulations and all provisions of the SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the open offer price or open offer size.
- 6.1.9 If there is any revision in the offer price on account of future purchase / competing offer, it will be done only up to the period prior to 3 (three) working days before the date of commencement of the tendering period and would be notified to the shareholders.

6.2 FINANCIAL ARRANGEMENTS:

- 6.2.1 The total fund requirement for the open offer (assuming full acceptances) i.e. for acquisition upto 10,66,600 (Ten Lakhs Sixty Six Thousand Six Hundred only) Equity Shares from the public shareholders of the Target Company at an offer price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per fully paid up equity share is Rs. 1,61,58,990/- (Rupees One Crore Sixty One Lakhs Fifty Eight Thousand Nine Hundred Ninety Only) (the "Maximum Consideration").
- 6.2.2 The Acquirer has adequate resources and has made full financial arrangement for financing of the Equity Shares under the offer in terms of Regulation 25(1) of SEBI(SAST) Regulations. The acquisition will be financed through internal resources of the Acquirer.
- 6.2.3 The Acquirer, the Manager to the Offer and Axis Bank Ltd., a Company incorporated under the Companies Act, 1956 and carrying on business as banking company under Banking Regulations Act, 1949 having one of its branch office at Nehrunagar, Ahmedabad has entered into Escrow Agreement on February 8, 2018 for the purpose of the offer (the "Offer Escrow Agreement") in accordance with Regulation 17 of the SEBI (SAST) Regulations. The Acquirer has deposited cash of Rs. 40,40,000/- (Rupees Forty Lakhs Forty Thousand Only) ("Security Deposit") being more than 25% of maximum consideration in an escrow account in the name and style as Mahaan Impex Limited - Open Offer Special Account (the "Escrow Account") opened with Axis Bank.
- 6.2.4 The Acquirer has authorised the Manager to the Offer to realise the value of Escrow Account opened in terms of the SEBI(SAST) Regulations.
- 6.2.5 Mr. Vineet Kanodia (Membership No. 143119), Proprietor of V K Kanodia & Co, Chartered Accountants (FRN No. 133204W) having its Office at C-12, Vaibhav Apartments(I), Opp. Bombay

Garage, Shahibaug, Ahmedabad – 380 004, Ph.: +91-99987 71365, E-mail: vineet_kk1@rediffmail.com vide certificate dated February 8, 2018 certified that the Acquirer has sufficient resources to meet the fund requirement for the takeover of Target Company.

- 6.2.6 Based on the above and in light of escrow agreement, the manager to the offer is satisfied that firm arrangements have been put in place by Acquirer to fulfill their obligations through verifiable means in relation to the offer in accordance with the regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions:

- 7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2 Letter of Offer will be dispatched to all the equity shareholders of the Target Company, whose names appear in its Register of Members on March 28, 2018, Wednesday, the Identified Date.
- 7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4 The LoF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.
- 7.1.5 This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4. of this LoF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6 While it would be ensured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.8 Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.

7.2 Locked in shares:

Presently, 5,31,000 (Five Lakhs Thirty One Thousand) Equity Shares representing 23.65% of the paid-up equity share capital of the Target Company held by the Sellers / Promoters are under lock-in upto 31.12.2018. These shares are part of the SPA and would be transferred to the Acquirer subject to the remaining period of lock-in.

7.3 Persons eligible to participate in the Offer:

Registered shareholders of MIL and unregistered shareholders who own the Equity Shares of MIL (other than the Parties to the SPA i.e. the Acquirer & the Sellers) any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, for the sale of shares of the Target Company of SEBI SAST Regulations) any time before closure of the Offer.

7.4 Statutory and other Approvals:

- 7.4.1 Shareholders of the Target Company who are either Non-Resident Indian (“NRI”) or Overseas Corporate Bodies (OCBs) and wish to tender their Equity Shares in this open offer shall be required to submit all the applicable approvals (specific and general) from the Reserve Bank of India (RBI) that they have obtained at the time of acquisition of the Equity Shares of the Company, as may be applicable. In the event, such approvals from the RBI are not submitted; the Acquirer reserves the sole right to reject the equity shares tendered by such shareholders in the open offer. This open offer is subject to receipt of the requisite approvals of RBI if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.
- 7.4.2 As of the date of LoF, to the best of the knowledge of the Acquirer, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this open offer. If any other statutory approvals required or become applicable, the open offer would be subject to receipt of such other statutory approvals. The Acquirer will not proceed with the open offer in the event such statutory approvals that are required are refused in terms of regulation 23 of SEBI (SAST) Regulations. This open offer is subject to all other statutory approvals that may become applicable at a later date before the completion of open offer. The Offer cannot be withdrawn by the Acquirer except the conditions as stipulated at Regulation 23(1) of the Takeover Regulations.
- 7.4.3 The Acquirer does not require any approval from financial institution/banks in India for the offer.
- 7.4.4 In case of delay in receipt of any statutory approval(s), SEBI has power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of regulation 18(11) of the SEBI(SAST) Regulations.
- 7.4.5 The Acquirer shall complete all procedures relating to the Open Offer including payment of consideration to the shareholders whose shares are accepted in the open offer within 10 working days from the last date of the tendering period.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1 The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular dated December 09, 2016.
- 8.2 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 the Offer shall be available on the BSE in the form of a separate window (“**Acquisition Window**”).
- 8.4 The Acquirer has appointed Prabhudas Lilladher Pvt. Ltd. (“Buying Broker”) for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:
Name: Prabhudas Lilladher Pvt. Ltd. (CIN: U67190MH1983PTC029670)
Communication Address: 3rd Floor, Sadhana House, 570 P.B. Marg,
B/h Mahindra Tower, Worli, Mumbai-400018,
Maharashtra, India
Contact Person: Mr. Vijay Shah
Tel No: +91 22 6632 2222, Fax No: +91 22 6632 2229
Email Id: vijayshah@plindia.com
- 8.5 All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers (“**Selling Broker**”), during the normal trading hours of the secondary market during the Tendering Period.

- 8.6 Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for Demat Equity Shares 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 (KYC Compliant).

8.10 Procedure for tendering Equity Shares held in Dematerialised Form:

- a) Equity Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the 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 Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- c) Upon placing the order, the Selling Broker shall provide Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- d) Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
- e) 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 time provided by the Stock Exchange on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- f) 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 Exchanges / Clearing Corporation, before the opening of the Offer.
- g) The Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Open Offer.
- h) The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

8.11 Procedure to be followed by registered Shareholders holding Equity Shares in the physical form:

- a) The Public Shareholders holding physical shares and who wish to tender their Equity Shares in this Offer shall approach the relevant Selling Broker and submit the following set of documents for verification:
 - i. Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
 - ii. Original share certificates;

- iii. Valid share 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;
 - iv. Self-attested copy of the Shareholder's PAN Card (in case of joint holders, PAN card copy of all transferors);
 - v. Any other relevant document such as powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s)); and
 - vi. Self-attested copy of proof of address such as valid Aadhar card, voter ID, passport or driving license.
- b) The Selling Broker(s) should place bids on the exchange platform including the relevant details as specified on the physical share certificate(s). The Selling Broker (s) shall print the TRS generated by the exchange bidding system. The TRS will contain the details of order submitted such as Folio No., Certificate No., Dist. Nos. and number of Equity Shares.
 - c) The Selling Broker(s)/Public Shareholder must deliver the share certificates relating to its Equity Shares and other documentation listed in paragraph (a) above along with the TRS to the Registrar i.e. Bigshare Services Private Limited at the address mentioned on the cover page. The envelope should be superscribed "Mahaan Impex Limited - Open Offer". Share certificates for physical shares must reach the Registrar within 2 (two) days of bidding by the Selling Broker.
 - d) The Public Shareholders holding physical shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph (a) above are submitted. Acceptance of the physical shares in this Offer shall be subject to verification by the Registrar. On receipt of the confirmation from the Registrar, the bid will be accepted or rejected (as applicable) and accordingly depicted on the exchange platform.
 - e) In case any person has submitted physical shares for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in this Offer by or before the closure of the Tendering Period.

The Public Shareholders holding Shares in Demat mode are not required to fill any Form of Acceptance. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance. Public Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptances along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance. Form of Acceptance will not be sent to the Public Shareholders holding Equity Shares in Demat mode.

8.12 Procedure for tendering the shares in case of non-receipt of Letter of Offer (Holders of Physical shares):

Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer. 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 of 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) or Merchant Banker website (www.nirbhaycapital.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 shareholder, 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 certificate 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 BSE before the closure of the Offer.

The Registrar to the Offer will hold in trust the share certificates pertaining to the Equity Shares held in physical form Equity Shares lying in the credit of the Escrow Demat Account pertaining to the Equity Shares held in dematerialised form, along with the documents submitted by the Shareholders, on behalf of the Shareholders who have tendered their Equity Shares, till the drafts / pay order for the consideration or payment of consideration has been made through electronic modes or the unaccepted Equity Shares / share certificates are dispatched / returned / credited.

8.13 Acceptance of Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat shares, physical) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public 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 Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

8.14 Procedure for tendering the shares in case of non-receipt of Letter of Offer:

- a) Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired the Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- b) A Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Acceptance Form.
- c) The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- d) The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
- e) Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents as mentioned in paragraphs 9 and 10 above along with Form SH 4 (in case of Equity Shares being held in physical form). Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

8.15 Settlement Process

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.

While it would be ensured that the Letter of Offer is dispatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.

The Equity 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 non – acceptance of the shares under the Offer.

Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Equity Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Open Offer by the Equity Shareholders holding Equity Shares in the physical form.

Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Open Offer. If Equity Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Equity Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.

Equity Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Equity Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Equity Shareholders.

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 escrow account which will be opened by the Acquirer.

Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Shareholder(s) directly by Registrar to the Offer.

8.16 Settlement of Funds / Payment Consideration

The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.

For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.

The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder / 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 Acquirer 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 Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

8.17 Note on taxation

For Equity Shareholders holding Equity Shares in demat and physical mode:

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will be termed as long term capital gain (LTCG). Such LTCG exceeding Rs. 1,00,000/- (Rupees One Lakh) in a financial year will be subject to capital gain tax at the rate of 10% (Ten Percentage). STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax provided the transaction is chargeable to STT.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A RESULT OF THIS OFFER.

Tax deduction at source

1. In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Acquirer shall not deduct tax on the consideration payable to resident shareholders pursuant to the said Offer.

2. In the case of Non Resident Shareholders

Since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident shareholder. It is therefore recommended the non-resident shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES

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 201, Maruti Crystal, Opp. Rajpath Club, S.G. Highway, Bodakdev, Ahmedabad- 380 054 from 10.30 A.M. to 1.00 P.M. on any working day, except Saturdays, Sundays and Holidays until the Closure of the Offer.

- Certificate of Incorporation and Memorandum & Articles of Association of Acquirer.
- Mr. Vineet Kanodia (Membership No. 143119), Proprietor of V K Kanodia & Co, Chartered Accountants (FRN No. 133204W) having its Office at C-12, Vaibhav Apartments(I), Opp. Bombay Garage, Shahibaug, Ahmedabad – 380 004, Ph.: +91-99987 71365, E-mail: vineet_kk1@rediffmail.com vide certificate dated February 8, 2018 certified that the Acquirer has sufficient resources to meet the fund requirement for the takeover of Target Company.
- A Book Value Report certified by Vishves A. Shah (Membership No. 109944), Proprietor of Vishves A. Shah & Co., Chartered Accountants (FRN No. 121356W) having its Office at 316, Abhishek Plaza, B/h Navgujarat College, Income Tax, Ahmedabad–380014, Ph.: +91-9825471182 & +91-9377771182; E-mail: vishvesca@gmail.com vide certificate dated February 12, 2018.
- Audited Annual Reports of MIL for the years ended March 31, 2015, March 31, 2016 and March 31, 2017.
- Audited Annual Reports of Acquirer for the years ended March 31, 2017.
- Escrow Agreement between the Acquirer, Axis Bank Limited and Manager to the Offer.
- Confirmation from Axis Bank Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 2011.
- Copy of Share Purchase Agreement entered into between Acquirer and Sellers on February 05, 2018
- Copy of Public Announcement filed on February 06, 2018, published copy of the Detailed Public Statement which appeared in the Newspapers on February 13, 2018, Issue Opening PA and any corrigendum to these, if any.
- A copy of the Recommendation made by the Board of MIL dated April 10, 2018.
- A copy of the Observation letter from SEBI dated March 27, 2018.
- Copy of Agreement between the Acquirer and the Registrar to the Offer.

10. DECLARATION BY THE ACQUIRER

Acquirer and its directors accepts full responsibility for the information contained in this LOF and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. In accordance with the regulation 25(3) of the SEBI (SAST) Regulations, the Acquirer accepts full responsibility jointly and severally for the information contained in the Public Announcement, Detailed Public Statement and the LoF and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations and the Acquirer would be responsible for ensuring compliance with the SEBI (SAST) Regulations.

**For and on behalf of Acquirer
Bsafal Infraheights Private Limited**

**Sd/-
(Manish Shah)
Director
DIN: 02079866**

Place: Ahmedabad

Date: April 4, 2018

ENCLOSURES

Form of Acceptance cum Acknowledgement
Blank Share Transfer

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(For physical shares being tendered)

(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 of Acceptance with enclosures to the Registrar to the Offer) | |
| OFFER OPENS ON | : APRIL 13, 2018, FRIDAY |
| OFFER CLOSES ON | : APRIL 26, 2018, THURSDAY |
| Please read the Instructions overleaf before filling-in this Form of Acceptance | |

| | |
|-----------------------------------|--|
| 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. | |

From:

Tel. No.:

Fax No.:

E-mail:

To,

The Acquirer

Bsafal Infraheights LIMITED

Address: bSafal House, Nr. Tej Motors,

B/h Mirch Masala Restaurant, Off. S. G. Highway,

Ahmedabad-380059, Gujarat, India

Dear Sir/s,

REG.: OPEN OFFER TO THE SHAREHOLDERS OF THE MAHAAN IMPEX LIMITED ("TARGET COMPANY"/"TC"/"MIL") BY BSAFAL INFRAHEIGHTS PRIVATE LIMITED ("ACQUIRER") PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

I / we, refer to the Letter of Offer dated _____ for acquiring the equity shares held by me / us in **The Mahaan Impex Limited**.

I / we, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.

I / We, unconditionally Offer to sell to the Acquirer the following equity shares in MIL held by me/ us at a price of Rs. 15.15/- (Rupees Fifteen and Fifteen Paise Only) per fully paid-up equity share.

I/We enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

| | | | |
|--|-----------------|--|-----------------|
| Ledger Folio No..... Number of share certificates attached..... | | | |
| Representing equity shares | | | |
| Number of equity shares held in MIL | | Number of equity shares Offered | |
| In figures | In words | In figures | In words |
| | | | |

| Sr. No. | Share Certificate No. | Distinctive Nos. | | No. of equity shares |
|-----------------------------------|-----------------------|------------------|----|----------------------|
| | | From | To | |
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| Total No. of Equity Shares | | | | |

2. I / We confirm that the Equity Shares of MIL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.

3. I / We authorize the Acquirer to accept the Equity Shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

4. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.

5. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

6. I/We note and understand that the Shares would held in trust by the Registrar until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.

7. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

8. I / We irrevocably authorise the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with MIL:

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

Place: ----- **Date:** -----

Tel. No(s) : ----- **Fax No.:** -----

So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/ECS mode and requested to kindly provide following information compulsorily in order to received payment through RTGS/ECS

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-----

IFCS Code of Bank-----

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

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

Yours faithfully,
Signed and Delivered:

| | 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

- Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
- The Form of Acceptance should be filled-up in English only.
- Signature(s) other than in English, 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:**
 - The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of MIL.
 - Shareholders of MIL to whom this Offer is being made, are free to Offer his / her / their shareholding in MIL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

ACKNOWLEDGEMENT SLIP

SHARES IN PHYSICAL FORM

OPEN OFFER TO THE SHAREHOLDERS OF THE MAHAAN IMPEX LIMITED ("TARGET COMPANY"/"TC"/"MIL') BY BSAFAL INFRAHEIGHTS PRIVATE LIMITED ("ACQUIRER") PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.

Received from Mr. / Ms.....

Ledger Folio No/ -----Number of certificates enclosed..... under the Letter of Offer dated _____, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

| Sr. No. | Share Certificate No. | Distinctive Nos. | | No. of equity shares |
|-----------------------------------|-----------------------|------------------|----|----------------------|
| | | From | To | |
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| Total no. of Equity Shares | | | | |

Stamp

Authorised Signatory

Date

Note: All future correspondence, if any, should be addressed to

Registrar to the Offer
Bigshare Services Private Limited
Address: 1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (E), Mumbai-400059
Contact Person: Mr. Vipin Gupta
Ph. No.: +91 22 62638200
Fax. No.: +91 22 62638299
Email ID: openoffer@bigshareonline.com