

September, 25, 2017
ACL: MUM: 2017-18: 0029

To
The Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, MUMBAI-400 001.

Dear Sir,

Sub: Submission of Letter of Offer

Ref.: Open Offer to the shareholders of Himalchuli Food Products Limited ('Target Company')

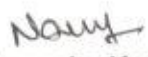
With reference to the above referred Open Offer, we are glad to inform you that the Printed Letter of Offer is being submitted with SEBI, Mumbai.

A copy of the Printed Letter of Offer is enclosed herewith for your kind perusal. The same is being submitted to the Target Company.

Kindly acknowledge and take the above information on your records.

Thanking You,

Yours truly,
For **Ashika Capital Limited**


Narendra Kumar Gamini
Asst. Vice-President-MBD



Encl: As Above

Registered Office:

Trinity, 226/1, A. J. C. Bose Road
7th Floor, Kolkata 700 020
Tel.: +91 33 4010 2500
Fax: +91 33 2289 1555
E-mail: ashika@ashikagroup.com

Corporate Office:

1008, 10th Floor, Raheja Centre
214, Nariman Point, Mumbai-400 021
Tel.: +91 22 6611 1700
Fax: +91 22 6611 1710
E-mail: mbd@ashikagroup.com

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer ('LoF') is sent to you as a Public Shareholder of Himalchuli Food Products Limited ('Target Company'). If you require any clarification about the action to be taken, you may consult your stock broker or investment consultant or the Manager to the Offer or Registrar to the Offer. In case you have recently sold your Equity Shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and Form SH-4 (Securities Transfer Form) to the member of stock exchange through whom the said sale was effected.

OPEN OFFER ('OFFER')

BY

NILESH MALSHI SAVLA and MEENA NILESH SAVLA (collectively referred to as 'ACQUIRERS')

both are residing at B-102, Saraswati Apartment, Dr. Radha Krishana Road,
Andheri (East), Mumbai-400 069, Maharashtra, India;

**TO ACQUIRE UP TO 4,94,000 EQUITY SHARES, HAVING FACE VALUE OF RS. 10/- (RUPEES TEN ONLY),
CONSTITUTING 26% OF THE VOTING SHARE CAPITAL OF**

HIMALCHULI FOOD PRODUCTS LIMITED ('TARGET COMPANY')

[Corporate Identification Number (CIN): L15400GJ1986PLC008652]

Regd. Off.: 2nd Floor, Vishwakarma Chambers, Majura Gate, Ring Road, Surat-395 002, Gujarat, India;

Tel.: +91-261-2477052 / 58 / 59; Fax: +91-261-2477053; E-mail: himalchulifoodproducts@gmail.com

**AT A PRICE OF RS. 1/- (RUPEE ONE ONLY) ('OFFER PRICE') PER EQUITY SHARE, PAYABLE IN CASH,
PURSUANT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF
SHARES AND TAKEOVERS) REGULATIONS, 2011, AND SUBSEQUENT AMENDMENTS THERETO [SEBI
(SAST) REGULATIONS, 2011]**

Notes:

- The Offer is being made by the Acquirers pursuant to regulation 3(1), regulation 4 and other applicable regulations of the SEBI (SAST) Regulations, 2011 for substantial acquisition of Equity Shares and Voting Rights accompanied with a change in control and management of the Target Company.
- The Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of the SEBI (SAST) Regulations, 2011.
- The Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations, 2011.
- To the best of the knowledge and belief of the Acquirers, as on the date of this LoF, there are no statutory or other regulatory approvals required to acquire the Equity Shares that are validly tendered pursuant to this Open Offer. However, in case of any other statutory or other regulatory approvals being required and/or become applicable at a later date prior to completion of Offer, this Offer would be subject to the receipt of such approvals. The Acquirers will not proceed with the Offer in the event that such statutory approvals becoming applicable prior to completion of the Offer are refused, in terms of regulation 23 of SEBI (SAST) Regulations, 2011.
- If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to Commencement of Tendering Period i.e. upto September 26, 2017 (Tuesday) in terms of regulation 18(4) the SEBI (SAST) Regulations, 2011, the same would be informed by way of an announcement in the same newspapers where the Detailed Public Statement had appeared. Such revised Offer Price would be payable to all the equity shares validly tendered during the Tendering Period and have been verified and accepted under the Open Offer, by the Acquirers.
- **There has been no competing offer as on date of this Letter of Offer.**
- A copy of the Public Announcement ('PA'), Detailed Public Statement ('DPS') and this Letter of Offer ('LoF') (including Form of Acceptance-cum-Acknowledgment) will be available on the website of Securities and Exchange Board of India ('SEBI') at <http://www.sebi.gov.in>.

MANAGER TO THE OFFER



ASHIKA CAPITAL LIMITED

Corporate Identification Number (CIN):

U30009WB2000PLC091674

SEBI Registration Number : INM000010536

1008, 10th Floor, Raheja Centre,

214, Nariman Point, Mumbai-400 021.

Tel: +91 22 6611 1700; Fax: +91 22 6611 1710

E-mail: mbd@ashikagroup.com

Contact Person: Mr. Narendra Kumar Gamini

REGISTRAR TO THE OFFER



PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

Corporate Identification Number (CIN):

U67120MH1993PTC074079

SEBI Registration Number : INR000001112

Unit No. 9, Shiv Shakti Industrial Estate,

J .R. Boricha Marg, Lower Parel (E), Mumbai-400 011.

Tel.: +91-22-23016761 / 8261; Fax: +91-22- 23012517

E-mail: busicomp@vsnl.com

Contact Person: Mr. V B Shah

OFFER OPENING DATE : SEPTEMBER 29, 2017

OFFER CLOSING DATE : OCTOBER 13, 2017

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER IS GIVEN BELOW:

Activity	Original Date & Day	Revised Date & Day
Date of Public Announcement	June 30, 2017 (Friday)	June 30, 2017 (Friday)
Date of Publication of Detailed Public Statement in newspapers	July 07, 2017 (Friday)	July 07, 2017 (Friday)
Last Date of Filing of Draft Letter of Offer with SEBI	July 14, 2017 (Friday)	July 14, 2017 (Friday)
Last date for public announcement of a Competing Offer	July 28, 2017 (Friday)	July 28, 2017 (Friday)
Last date for receipt of comments from SEBI on Draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Offer)	August 04, 2017 (Friday)	September 14, 2017 (Thursday)
Identified Date*	August 08, 2017 (Tuesday)	September 15, 2017 (Friday)
Date by which the Letter of Offer will be dispatched to the Public Shareholders, whose name appears on the register of members on the Identified Date	August 16, 2017 (Wednesday)	September 25, 2017 (Monday)
Last date for upward revision of Offer Price and/or Offer Size	August 21, 2017 (Monday)	September 26, 2017 (Tuesday)
Last date by which Committee of Independent Directors of the Board of the Target Company shall give its recommendation	August 22, 2017 (Tuesday)	September 27, 2017 (Wednesday)
Date of publication of advertisement for Opening of the Offer in the newspapers where this DPS has been published	August 23, 2017 (Wednesday)	September 28, 2017 (Thursday)
Date of Commencement of the Tendering Period (Offer Opening Date)	August 24, 2017 (Thursday)	September 29, 2017 (Friday)
Date of Closure of the Tendering Period (Offer Closing Date)	September 07, 2017 (Thursday)	October 13, 2017 (Friday)
Last date of communicating the rejection/acceptance and payment of consideration for accepted Equity Shares and/or Share Certificate/Demat Delivery Instruction for rejected Equity Shares to be dispatched/ issued	September 21, 2017 (Thursday)	October 31, 2017 (Tuesday)

**Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that all the Public Shareholders (registered or unregistered), at any time prior to the Closure of the Tendering Period, are eligible to participate in this Open Offer.*

RISK FACTORS:

Given below are the risks related to the transaction, the Open Offer and the probable risk involved in associating with the Acquirers:

Relating to Transaction:

1. The Share Purchase Agreement ('Agreement') is subject to the compliances of applicable provisions of SEBI (SAST) Regulations, 2011 and in case of non compliances with the provisions of SEBI (SAST) Regulations, 2011 the Agreement shall not be acted upon.
2. The consummation of the acquisition of the Sale Shares by the Acquirer, as envisaged under the Agreement, is subject to satisfaction of all the conditions of the Agreement.
3. Pursuant to the Agreement, on acquisition of the Sale Shares, the Acquirers shall acquire control of the Target Company and the Acquirers will appoint their nominee directors on the Board, which will result in a change in ownership, control and management of the Target Company, which may have a significant effect on the business, financial condition and the results of operations of the Target Company.

Relating to the Open Offer:

1. As on the date of this LoF, to the best of knowledge and belief of the Acquirers, there are no statutory approvals required to acquire the Equity Shares by the Acquirers tendered pursuant to this Open Offer. However, in case of any other statutory approvals being required and/or become applicable at a later date prior to the completion of Offer, this Open Offer would be subject to the receipt of such approvals and the Acquirers shall make the necessary applications for such approvals..
2. In the event that either: (a) regulatory or statutory approvals are not received in time; (b) there is any order of a governmental authority or litigation leading to a stay/injunction on the Open Offer or that restricts/restrains the Acquirers from performing its obligations hereunder; or (c) SEBI instructing the Acquirers not to proceed with the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. In case the delay is due to non-receipt of statutory approval(s), then in accordance with regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied that non-receipt of approvals was not due to any wilful default or negligence on the part of the Acquirers, grant an extension for the purpose of completion of the Open Offer subject to the Acquirers agreeing to pay interest to the validly tendering Shareholders at such rate as may be specified by SEBI. Provided where the statutory approvals extend to some but not all the Shareholders, the Acquirers will have the option to make payment of the consideration to such Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
3. In the case of the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, acceptance will be determined by the Acquirers, as per the SEBI (SAST) Regulations, 2011, in consultation with the Manager to the Offer, on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in this Open Offer will be accepted.
4. The Equity Shares tendered in the Offer and documents will be held in the pool account of the broker/ in trust by the Clearing Corporation/Registrar to the Offer, till the process of acceptance of tenders and the payment of consideration is completed.
5. Public Shareholders who have lodged their acceptance to this Open Offer shall not be entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of the Equity Shares in this Open Offer and dispatch of consideration are delayed. During such period, there may be fluctuations in the market price of the equity shares and the shareholders will not be able to trade in such equity shares, thereby restricting the ability of such Shareholders to take advantage of any favourable price movements. It is understood that the shareholders will be solely responsible for their decisions regarding their participation in this Open Offer.
6. NRI and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation the approval from the RBI) and submit such approvals along with the Form of Acceptance and other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) were required to obtain any approvals (including from the RBI, the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If such previous approvals and/or relevant documents are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or on non repatriable basis.
7. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, LoF and anyone placing reliance on any other sources of information (not released by the Acquirers) would be doing so at his / her / its own risk.

8. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of the Letter of Offer, resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.
9. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.

Relating to the Acquirers:

1. The Acquirers make no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company
2. The Acquirers make no assurance with respect to its investment/divestment decisions relating to their proposed shareholding in the Target Company.
3. The Acquirers make no assurance with respect to the market price of the equity shares of the Target Company before, during or after the Open Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Open Offer.
4. For the purpose of disclosures in the PA or DPS or this Letter of Offer (LoF) in relation the Target Company and/or the Sellers, the Acquirers have relied on the information published or provided by the Target Company and/or the Sellers, as the case may be, or publicly available sources and have not independently verified the accuracy of details of the Target Company and/or the Sellers. The Acquirers do not accept any responsibility with respect to any misstatement by the Target Company and/or the Seller in relation to such information

The risk factors set forth above pertain to the underlying transaction, this Open Offer and are not in relation to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation or otherwise by any Shareholder in the Open Offer, but are only indicative. Each Shareholder of the Target Company is hereby advised to consult with their stockbroker, legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for further risks with respect to their participation in the Open Offer and related transfer of equity shares of the Target Company to the Acquirers.

CURRENCY OF PRESENTATION

- In the Letter of Offer, all references to '₹' / 'Rs.' / 'Rupees' / 'INR' are to Indian Rupees.
- In the Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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1. ABBREVIATIONS / DEFINITIONS:

Acquirers	Mr. Nilesh Malshi Savla and Mrs. Meena Nilesh Savla
ASE	The Ahmedabad Stock Exchange Limited, Ahmedabad
Board/ Board of Directors	Board of Directors of the Target Company
BSE	BSE Limited, Mumbai
Business Day	A day (other than a Saturday or a Sunday) on which banks are generally open for business in Mumbai, India
Buying Broker	Ashika Stock Broking Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clearing Corporation	Clearing Corporation of Stock Exchanges
Companies Act	The Companies Act, 1956, as amended or modified from time to time and The Companies Act, 2013, as amended or modified from time to time, as the case may be
Depositories	CDSL and NSDL
DIN	Director Identification Number
DP	Depository Participant
DPS / Detailed Public Statement	The Detailed Public Statement in connection with the Offer, issued by the Manager to the Offer, on behalf of the Acquirers, published in newspapers on July 07, 2017 (Friday)
Equity Share Capital	19,00,000 Equity Shares of the Target Company
Equity Shares	Fully paid-up equity shares of the Target Company having face value of Rs. 10/- (Rupee Ten only) each
Equity Shareholders	All the owners of the Equity Shares
Eligible Shareholders	All the owners (registered or unregistered) of the Equity Shares, except the Acquirers and Sellers, who are parties to the Agreement, including persons deemed to be acting in concert with such parties
Escrow Account	The account opened with ICICI Bank in accordance with regulation 17(4) of the SEBI (SAST) Regulations, 2011 in the name and style of 'HFPL OPEN OFFER ESCROW ACCOUNT' bearing Account No. 000405115169
Escrow Agreement	Escrow Agreement dated June 30, 2017 entered between the Acquirers, Escrow Bank and Manager to the Offer
Escrow Bank	ICICI Bank Limited
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor
FIPB	Foreign Investment Promotion Board
Form of Acceptance	Form of Acceptance cum Acknowledgement, accompanying with this Letter of Offer
FY	Financial Year
Identified Date	The date falling on the 10 th Working Day prior to the commencement of the Tendering Period, for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent, i.e. September 15, 2017 (Friday)
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
INR / Rs. / ₹	Indian Rupees, the legal currency of India
Letter of Offer / LoF	This Letter of Offer
Manager / Manager to the Offer	Ashika Capital Limited
Maximum Open Offer Consideration	Rs. 4,94,000/- (Rupees Four Lakhs Ninety Four Thousand only) being the total consideration payable to the Public Shareholders by the Acquirers pursuant to the Open Offer
NA	Not Applicable

Non-Resident Shareholder(s)	Persons resident outside India, as defined under FEMA, holding equity shares of the Target Company
NRI	Non-Resident Indians, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depositories Limited
OCBs	Overseas Corporate Bodies
Offer Period	Period from the date of entering into Share Purchase Agreement to the date on which the payment of consideration, to the shareholders whose equity shares are accepted in this Open Offer, is made
Offer/Open Offer	This Open Offer, being made by the Acquirers to the Public shareholders of the Target Company to acquire upto 4,94,000 Equity Shares having face value of Rs. 10/- each, representing 26% of the equity and voting share capital of the Target Company at a price of Rs. 1/- per Equity Share
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirers
Offer Price	Rs. 1/- (Rupee One only) per equity share
Offer Size	4,94,000 Equity Shares having face value of Rs. 10/- each, constituting 26% of the equity and voting share capital of the Target Company
PA / Public Announcement	Public Announcement in connection with the Offer issued by the Manager to the Offer on behalf of the Acquirers and submitted to the BSE on June 30, 2017 (Friday)
PAN	Permanent Account Number
Promoter / Promoter Group	Shall have the meaning ascribed to the term under the SEBI (SAST) Regulations, 2011
Public Shareholder(s)	All the equity shareholders of the Target Company, other than the Sellers, who are parties to the Agreement, including any persons acting or persons deemed to be acting in concert with such parties, in terms of regulation 7(6) of the SEBI (SAST) Regulations, 2011, and other Promoter and Promoter Group of the Target Company
RBI	Reserve Bank of India
Registrar / Registrar to the Offer	Purva Sharegistry (India) Private Limited
Sale Shares	6,29,515 Equity Shares having face value of Rs. 10/- each, constituting 33.13% of the equity and voting share capital of the Target Company, to be sold by the Sellers to the Acquirers, in terms of the SPA
SCRR	Securities Contract (Regulation) Rules, 1957 and subsequent amendments thereto
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SEBI (SAST) Regulations 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Sellers	Kaybee Texspin Limited, Avlon Syntex Private Limited, Tribest Fineyarns Limited (Formerly known as Saheli Vastra Udyog Limited), Somiya Bong Investments Private Limited, Om Prakash Agarwal, Om Prakash Agarwal HUF, Bilal Memon, Ashadevi Agarwal and Ratankumar Goel , who are part of Promoter and Promoter Group of the Target Company
SPA / Agreement	Share Purchase Agreement dated June 30, 2017 entered into amongst the Acquirers and the Sellers
Stock Exchange	BSE
STT	Securities Transaction Tax
Target Company/ HFPL	Himalchuli Food Products Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 2 nd Floor, Vishwakarma Chambers, Majura Gate, Ring Road, Surat-395 002
Tendering Period	Period commencing from September 29, 2017 (Friday) to October 13, 2017 (Friday), both days inclusive
TRS	Transaction Registration Slip
Underlying Transaction	The acquisition of Sale Shares under the Agreement
Voting Share Capital	19,00,000 fully paid-up equity shares carrying voting rights, being the equity shares as of the 10th Working Day following the closure of the Tendering Period Offer assuming there is no change between the date of this Letter of Offer and such date
Working Day	A working day of SEBI, as defined under the SEBI (SAST) Regulations, 2011

All capitalized terms used in this Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI (SAST) Regulations, 2011.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF HIMALCHULI FOOD PRODUCTS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, ASHIKA CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 14, 2017 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1. BACKGROUND OF THE OFFER

- a. This Open Offer is a Mandatory Offer, being made by Mr. Nilesh Malshi Savla and Mrs. Meena Nilesh Savla (collectively referred to as the 'Acquirers'), in compliance with regulations 3(1) & 4 and other applicable provisions of the SEBI (SAST) Regulations, 2011, pursuant to the Agreement, resulting into direct acquisition of Equity Shares and voting rights accompanied with a change in control and management of the Target Company.
- b. The Acquirers have entered into a Share Purchase Agreement ('**Agreement**') with the Sellers, who are part of Promoter and Promoter Group of the Target Company, on June 30, 2017 (Friday), for acquisition of 6,29,515 fully paid up equity shares of Rs. 10/- each ('**Sale Shares**'), constituting 33.13% of the total equity and voting share capital of the Target Company at a price of Rs. 1/- (Rupees One only) per fully paid-up equity share ('**Negotiated Price**'), aggregating to Rs. 6,29,515 (Rupees Six Lakhs Twenty Nine Thousand Five Hundred and Fifteen only) ('**Purchase Consideration**') payable in cash.
- c. The key terms and conditions of the Agreement are as follows:
 - i. Pursuant to the SPA, the Acquirers, relying on the representations and warranties, agreed to purchase 6,29,515 equity shares of the Target Company ('**Sale Shares**') from the Seller at a price of Rs. 1/- (Rupees One only).
 - ii. As a consequence of the Agreement, the Sellers and other members of the Promoter and Promoter Group of the Target Company shall cease to be the Promoter of the Company and the Acquirers shall become the Promoter of the Company under the provisions of the SEBI (SAST) Regulations, 2011.
 - iii. The sale and purchase of the Sale Shares, as envisaged in the Agreement, shall be completed upon fulfillment of certain terms and conditions of the Agreement.
 - iv. On the Closing Date, in accordance with and subject to the terms of this Agreement, the Seller shall sell, transfer, convey and deliver to the Acquirers and the Acquirers shall purchase, acquire and accept from the Seller, the Sale Shares with all rights, title, interest and benefits appertaining or accruing thereto, free from all Encumbrances.
 - v. The SPA is subject to the compliance of provisions of the SEBI (SAST) Regulations, 2011.
 - vi. The SPA contains mutual customary representations and warranties between the Acquirers and the Sellers, including in relation to compliance with applicable laws.

- vii. In the event of any non-compliance of any of the provisions of SEBI (SAST) Regulations, 2011, notwithstanding anything contained in the SPA, the SPA shall not be acted upon by any of the Parties.

For some of the above terms more specifically defined in the SPA and other details of the SPA, shareholders of the Target Company may refer the SPA which would be available to them for inspection during the period between the Tendering Period at the office of the Manager to the Offer.

- d. The Acquirers have deposited 100% of the Maximum Consideration into the Escrow Account in terms of their intention (i) to facilitate appointment of person(s) representing the Acquirers on the Board of Directors of the Target Company and (ii) to facilitate its acquisition of the Sale Shares and control over the Target Company.
- e. In accordance with the provisions of the SEBI (SAST) Regulations 2011, the Acquirers intend to complete the acquisition of the Sale Shares, as contemplated under the Agreement, as soon as the conditions stipulated in the Agreement are satisfied. Simultaneous with the acquisition of the Sale Shares the Acquirers will seek appointment of representative Directors on the Board of the Target Company and the Target Company will take effective steps to induct them on its Board.
- f. As per regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the Board of the Target Company is required to constitute a committee of Independent Directors, to provide its written reasoned recommendation on the Open Offer to the Shareholders of the Target Company and such recommendations shall be published at least two working days before the commencement of the Tendering Period in the same newspaper where the DPS of the Open Offer was published. A copy whereof shall be sent to SEBI, ASE and Manager to the Offer and in case of a competing offer/s to the Manager/s to the Offer for every competing offer.
- g. There is no Person Acting in Concert with the Acquirers for the purpose of this Open Offer within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011.
- h. The Acquirers and the Sellers have confirmed that they are is not categorized as a 'willful defaulter' in terms of regulation 2(1) (ze) of the SEBI (SAST) Regulations, 2011 and have not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, or under any other regulations made under the SEBI Act.

3.2. DETAILS OF THE PROPOSED OFFER

- a. The PA, in connection with the Open Offer, in accordance with the regulations 3(1) and 4, read with regulations 13, 14 and 15 of the SEBI (SAST) Regulations, 2011 was made on June 30, 2017 and mailed to BSE and also filed with the SEBI and the Target Company at its Registered Office.
- b. In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, 2011, the DPS was published on July 07, 2017, in the following newspapers:

Publication	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Janadesh	Gujarathi	Surat Edition
Mumbai Lakshadeep	Marathi	Mumbai Edition

A copy of the PA and DPS are available on the SEBI website at <http://www.sebi.gov.in>.

- c. Simultaneously with the publication of DPS in the newspapers, a copy of the DPS was filed through the Manager to the Offer with SEBI, BSE and the Target Company at its Registered Office.
- d. The Open Offer is being made by the Acquirers to the all the Public Shareholders of the Target Company, other than parties to the Agreement, including persons deemed to be acting in concert with such parties, in terms of regulation 7 (6) of the SEBI (SAST) Regulations, 2011, to acquire up to 4,94,000 fully paid-up equity shares of face value of Rs. 10/- each, constituting 26.00% of the voting share capital, at a price of Rs. 1/- (Rupee One only) per equity share, payable in cash, in accordance with regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011 subject to the terms and conditions mentioned in the PA, DPS and this Letter of Offer.

- e. The Acquirers will accept the equity shares of the Target Company, which are tendered in valid form in terms of this Offer, upto a maximum of 4,94,000 fully paid-up equity shares constituting 26.00% of the voting share capital of the Target Company. If the aggregate valid responses to this Offer by the shareholders are more than the Offer Size, then the acceptance would be determined on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner. The Acquirers will acquire all the Equity Shares validly accepted in this Offer.
- f. There are no partly paid up equity shares in the Target Company. Further, there is no differential pricing for the Open Offer.
- g. This Open Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations, 2011 and there has been no competing offer as of the date of the Letter of Offer.
- h. This Open Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- i. The Open Offer is unconditional and not subject to any minimum level of acceptance from the shareholders of the Target Company, in terms of regulation 19(1) of the SEBI (SAST) Regulations, 2011.
- j. As on date, the Manager to the Offer does not hold any equity shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the Offer Period.
- k. In terms of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') read with Rule 19A of the Securities Contracts (Regulations) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% public shareholding, as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the Shares acquired under the Offer and the Agreement, and purchase of Shares, if any, during the Offer Period, the public shareholding in the Target Company falls below the minimum level required as per the Listing Regulations read with Rule 19A of the SCRR, the Acquirers hereby undertake that the promoter shareholding in the Target Company will be reduced, within the time period specified in the SCRR and the SEBI (SAST) Regulations, 2011, such that the Target Company complies with the required minimum level of public shareholding.

3.3. OBJECT OF THE OFFER

- a. The prime object of the Offer is to acquire substantial acquisition of Equity Shares and Voting Rights accompanied with a change in control and management of the Target Company.
- b. After the completion of the acquisition/transfer of shares through the Share Purchase Agreement and the Offer, the Acquirers will hold the majority of the Equity Shares/Voting Rights by virtue of which they will be in a position to exercise effective management control over the Target Company.
- c. The Acquirers propose/intend to expand the business of the Target Company through exercising the effective management control. The Acquirers intend to invest and incubate the corporate opportunities and will strengthen the Target Company with human as well as financial resources. Further, the Acquirers reserve the right to modify the present structure of the business in a manner which is useful to the larger interests of the shareholders. The Acquirers will review various options available to use the existing corporate structure and also converge towards the long term plans of building multiple revenue streams under the existing corporate structure. .
- d. The Acquirers is having experience in Agricultural Business and intends to diversify the business of the Target Company into these areas, subject to the applicable laws.
- e. Other than as set out above, as on the date, the Acquirers do not have any intention to undertake any restructuring or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company, other than in the ordinary course of business, for a period of two years following the completion of the Offer or on account of regulatory approvals or

conditions, or compliance with any law that is binding on or applicable to the Acquirers. The Acquirers further undertake that in the event such alienation of assets of the Target Company is required, such alienation shall not be undertaken without a special resolution passed by shareholders of the Target Company, by way of a postal ballot, wherein the notice for such postal ballot shall inter alia contain reasons as to why such alienation is necessary, as per proviso to regulation 25(2) of the SEBI (SAST) Regulations, 2011.

4. BACKGROUND OF THE ACQUIRERS:

4.1. NILESH MALSHI SAVLA:

- a) **Mr. Nilesh Malshi Savla**, son of Malshi Arjan Savla, aged about 41 years, Indian habitant residing at B-102, Saraswati Apartment, Dr. Radha Krishana Road, Andheri (East), Mumbai-400069.
- b) He completed his graduation in Philosophy from the Open University of Sri Lanka. He hails from an agricultural family and has experience in the areas of Sales, Marketing and Administration of Luggage and Printing businesses.
- c) The networth of Mr. Nilesh Malshi Savla as on March 31, 2017, as certified by Mr. Mahesh Murji Gala (Membership No. 116548), Proprietor of M/s. M M Gala & Associates, Chartered Accountants (FRN: 124913W), having office at Office No. 1, 'A' Wing, Vijay Apartment CHS Ltd., LBS Marg, Near Teen Petrol Pump, Panchpakhadi, Thane (West), Mumbai-400602; Tel.: +91-22-25379096-9; E-mail: info@maheshca.com vide certificate dated June 30, 2017, is Rs. 4,68,17,633/- (Rupees Four Crores Sixty Eight Lakhs Seventeen Thousand Six Hundred and Thirty Three only)

4.2. MEENA NILESH SAVLA:

- a) **Mrs. Meena Nilesh Savla**, wife of Mr. Nilesh Malshi Savla, aged about 45 years, Indian habitant residing at B-102, Saraswati Apartment, Dr. Radha Krishana Road, Andheri (East), Mumbai-400069.
- b) She completed her Senior Secondary Certificate from the Maharashtra State Board of Secondary and Higher Secondary Education, Pune. She is a homemaker and hails from an agricultural family.
- c) The networth of Mrs. Meena Nilesh Savla as on March 31, 2017, as certified by Mr. Mahesh Murji Gala (Membership No. 116548), Proprietor of M/s. M M Gala & Associates, Chartered Accountants (FRN: 124913W), having office at Office No. 1, 'A' Wing, Vijay Apartment CHS Ltd., LBS Marg, Near Teen Petrol Pump, Panchpakhadi, Thane (West), Mumbai-400602; Tel.: +91-22-25379096-9; E-mail: info@maheshca.com vide certificate dated June 30, 2017, is Rs. 2,47,72,885/- (Rupees Two Crores Forty Seven Lakhs Seventy Two Thousand Eight Hundred and Eighty Five only).

4.3. Mr. Nilesh Malshi Savla and Mrs. Meena Nilesh Savla are husband and wife. The Acquirers are not part of any Group.

4.4. As on the date, the Acquirers do not hold any equity shares in the Target Company. The Acquirers have not acquired, directly or indirectly any shares of Target Company during the 52 weeks period prior to the date of this DPS.

4.5. As the Acquirers have never held any equity shares of the Target Company, the relevant provisions of Chapter II of the SEBI (SAST) Regulations, 1997 and Chapter V of the SEBI (SAST) Regulations, 2011 are not applicable.

4.6. As on date of LoF, the Acquirers are the Promoters/Directors of R K D Trendy Retailers Private Limited, a company incorporate under the Companies Act, 1956 on October 22, 2012, which is engaged in the business of trading, marketing, selling and distribution.

4.7. As on date, the Acquirers are neither the Promoters nor a part of the Promoter Group of the Target Company.

- 4.8. The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Offer and are acting together under an informal understanding.
- 4.9. There is no Person Acting in Concert ('PAC') with the Acquirers for the purpose of this Open Offer, within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations, 2011.
- 4.10. The Acquirers have confirmed that they are is not categorized as a 'willful defaulter' in terms of regulation 2(1) (ze) of the SEBI (SAST) Regulations, 2011 and have not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.11. The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Open Offer and are acting together under an informal understanding.

5. BACKGROUND OF TARGET COMPANY - HIMALCHULI FOOD PRODUCTS LIMITED:

(The information contained in the PA or DPS or LOF or any other advertisement/ publications made in connection with the Open Offer pertaining to the Target Company has been compiled from information published or provided by the Target Company or publicly available sources.)

- a) The Target Company was originally incorporated on April 30, 1986 under the name and style of 'Saheli Leasing and Finance Limited' under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat at Ahmedabad. The Target Company obtained the Certificate for Commencement of Business on June 16, 1986. The name of the Target Company was subsequently changed to 'Saheli Leasing and Industries Limited' and a Fresh Certificate of Incorporation consequent on change of name was received from the Registrar of Companies, Gujarat at Ahmedabad on February 27, 1991. The name of the Target Company was further changed to the present name 'Himalchuli Food Products Limited' and a Fresh Certificate of Incorporation consequent on change of name was received from Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad on March 24, 1999. The name of the Target Company has not undergone any change in the last 3 (three) years.
- b) The Registered Office of the Target Company is situated at 2nd Floor, Vishwakarma Chambers, Majura Gate, Ring Road, Surat-395002. The Corporate Identity Number (CIN) of the Target Company is L15400GJ1986PLC008652.
- c) The Main Objects Clause of the Target Company as per its Memorandum of Association is to carry on business of buyers, sellers, manufacturers, producers, brokers, buying agents, selling agents, packers, re-packers, commission agents, factors, distributors, stockiest, agents, traders and suppliers and dealers in cakes, pastry, cornflake, bread, biscuits, chocolates, confectionery, sweets, fruits, drops, sugar, glucose, chewing gums, milk cream, butter, ghee, pickles, jam jellies, poultry, eggs, pulses, honey, coffee, tea and all types of materials required for consumption as food. Presently, the Target Company is not carrying out any major business activities and is not generating any revenue except earning the commission from trading in yarn
- d) The Authorized Share Capital of the Target Company is Rs. 7,00,00,000/- comprising of 70,00,000 equity shares having face value of Rs. 10/- each. The Issued, Subscribed and fully Paid-up Capital of the Target Company is Rs. 1,90,00,000/- consisting of 19,00,000 equity shares having face value of Rs. 10/- each. The Target Company does not have any partly paid-up equity shares and there are no outstanding convertible securities, depository receipts, warrants, options or similar instruments, issued by the Target Company, convertible into equity shares at a later stage. None of the Equity Shares are under lock-in period.

e) Share Capital Structure:

The share capital structure of the Target Company is as follows:

Paid-up Shares	No. of Shares/Voting Rights	% Shares/Voting Rights
Fully Paid-up Equity Shares	19,00,000	100%
Partly Paid-up Equity Shares	Nil	Nil
Total Paid-up Equity Shares	19,00,000	100%
Total Voting Rights in Target Company	19,00,000	100%

- f) The equity shares are listed on the BSE Limited, Mumbai ('**BSE**') (Security Code: 511169), Ahmedabad Stock Exchange Limited, Ahmedabad ('**ASE**') and Vadorada Stock Exchange Limited, Vadorada ('**VSE**'). However, VSE has now been derecognized by SEBI and ASE is non-operational, as on date. The International Securities Identification Number ('**ISIN**') of the equity shares of the Target Company is INE552N01015.
- g) As on date, trading of Equity Shares of the Target Company is not suspended from trading on BSE and there are no Equity Shares of the Target Company that are issued, allotted, but not listed on the BSE. Further, no punitive action has been initiated against the Target Company by BSE.
- h) **Details of the Board of Directors of Target Company:**

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

S. No.	Name of the Director	Designation	Date of Appointment	Director Identification Number (DIN)
1.	Omprakash Rambilash Agarwal	Managing Director	April 30, 1986	01680000
2.	Vivek Omprakash Goel	Director	May 27, 1992	02364914
3.	Rashmikant Ratilal Desai	Director	May 23, 2005	02370162
4.	Reenaben Bipinchandra Joshi	Director	March 31, 2015	07141061

None of the above Directors are representative of the Acquirers.

- i) There has been no merger / de-merger or spin off in the Target Company during the past three years.
- j) **Financial Information:**

Brief financial information of the Target Company, extracted from its audited financial statements for the financial year ended March 31, 2015, March 31, 2016 and March 31, 2017 is as follows:

Profit & Loss Statements:

(Amount Rs. in Lakhs)

For the period/year ended	31.03.2017	31.03.2016	31.03.2015
	(Audited)	(Audited)	(Audited)
Revenue from Operations	4.12	4.44	2.18
Other Income	-	-	0.02
Total Income	4.12	4.44	2.20
Total Expenditure	5.63	4.59	2.12
Profit/(Loss) before Depreciation, Interest & Tax	(1.51)	(0.15)	0.08
Interest & Bank Charges	0.04	0.06	0.03
Depreciation & Amortization Expenses	-	-	-
Profit/ (Loss) Before Tax	(1.55)	(0.21)	0.05
Current Income Tax	-	-	-
Profit/ (Loss) After Tax	(1.55)	(0.21)	0.05

Balance Sheet Statement:

(Amount Rs. in Lakhs)

As on	31.03.2017	31.03.2016	31.03.2015
	Audited	Audited	Audited
Sources of Funds:			
Paid up Share Capital	190.00	190.00	190.00
Reserves & Surplus (excluding Revaluation Reserves)	(278.85)	(277.30)	(277.09)
Networth	(88.85)	(87.30)	(87.09)
Non-Current Liabilities	-	-	-
Current Liabilities	94.11	94.50	94.46
TOTAL	5.26	7.20	7.37

Use of Funds:			
Non-Current Assets	0.72	2.33	2.33
Long Term Loans & Advances	-	-	
Other Non-Current Assets	-	-	
Current Assets	4.54	4.87	5.04
TOTAL	5.26	7.20	7.37

Other Financial Data:

For period / year ended	31.03.2017	31.03.2016	31.03.2015
	(Audited)	(Audited)	(Audited)
Dividend (%)	Nil	Nil	Nil
Earnings Per Share of Rs. 10/- (Rs.)	(0.08)	(0.01)	-
Return on Networth (%)	-	-	-
Book Value per share (Rs.)	(4.68)	(4.59)	(4.58)

k) Pre and Post-Offer Shareholding Pattern of the Target Company as on date of LoF is as follows:

Shareholders' Category	Shareholding & Voting Rights prior to the Open Offer		Shares / Voting Rights agreed to be Acquired which triggered off the Regulations		Shares/ Voting Rights to be Acquired in Open Offer (assuming full acceptances)		Shareholding / Voting Rights after the Acquisition and Open Offer	
	(A)		(B)		(C)		(A)+(B)+(C) = (D)	
	No.	%	No.	%	No.	%	No.	%
1. Promoter Group								
a) Parties to Agreement:								
(i) Kaybee Texspin Ltd.	2,71,810	14.31	(2,71,810)	(14.31)	Nil	N. A.	Nil	N. A.
(ii) Avlon Syntex Private Ltd.	1,18,730	6.25	(1,18,730)	(6.25)	Nil	N. A.	Nil	N. A.
(iii) Tribest Fineyarns Ltd. (Formerly known as Saheli Vastra Udyog Limited)	99,600	5.24	(99,600)	(5.24)	Nil	N. A.	Nil	N. A.
(iv) Somiya Bong Investments Private Ltd.	39,700	2.09	(39,700)	(2.09)	Nil	N. A.	Nil	N. A.
(v) Om Prakash Agarwal	18,975	1.00	(18,975)	(1.00)	Nil	N. A.	Nil	N. A.
(vi) Om Prakash Agarwal HUF	28,000	1.47	(28,000)	(1.47)	Nil	N. A.	Nil	N. A.
(vii) Bilal Memon	29,100	1.53	(29,100)	(1.53)	Nil	N. A.	Nil	N. A.
(viii) Ashadevi Agarwal	20,000	1.05	20,000	(1.05)				
(ix) Ratankumar Goel	3,600	0.19	(3,600)	(0.19)				
Total (a)	6,29,515	33.13	(6,29,515)	(33.13)	Nil	N. A.	Nil	N. A.
b) Promoters other than (a) above	1,84,025	9.69	Nil	N. A.	Nil	N. A.	Nil*	N. A.*
Total (b)	1,84,025	9.69	Nil	N. A.	Nil	N. A.	Nil*	N. A.*
Total 1 (a+b)	8,13,540	42.82	(6,29,515)	(33.13)	Nil	N. A.	Nil*	N. A.*
2. Acquirers								
(i) Nilesh Malshi Savla	Nil	N. A.	3,57,705	18.82	4,94,000	26.00	11,23,515	59.13
(ii) Meena Nilesh Savla	Nil	N. A.	2,71,810	14.31				
Total	Nil	N. A.	6,29,515	33.13	4,94,000	26.00	11,23,515	59.13
3. Parties to agreement other than(1) (a) & (2)	-	-	-	-	-	-	-	-
4. Public* (other than parties to Agreement & Acquirers)								
a) FIs / MFs / FIIs / Banks, SFIs, ARCs	10,86,460	57.18	Nil	N. A.	(4,94,000)	(26.00)	7,76,485*	40.87*
b) Others								
Total 4 (a+b)	10,86,460	57.18	Nil	N. A.	(4,94,000)	(26.00)	7,76,485*	40.87*
GRAND TOTAL (1+2+3+4)	19,00,000	100.00	Nil	Nil	Nil	Nil	19,00,000	100.00

* The number of Shareholders under Public category as on March 31, 2017 is 4,451.

*Upon the completion of the Open Offer the erstwhile Promoters shall cease to be the Promoters and Promoter Group of Target Company and reclassified as Public Shareholding and their residual shareholding will be clubbed in the Public.

l) **Details of Compliance Officer:**

Mr. Omprakash Rambilash Agarwal, Compliance Officer
2nd Floor, Vishwakarma Chambers, Majura Gate, Ring Road, Surat-395 002.
Tel.:+91-261-2477052 / 58 / 59; Fax: +91-261-2477053;
E-mail: himalchulifoodproducts@gmail.com

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS:

6.1. JUSTIFICATION OF OFFER PRICE:

- a. The Open Offer is made pursuant to the Agreement for the direct acquisition of Equity Shares and Voting Rights accompanied with a change in control and management of the Target Company.
- b. This Open Offer is not pursuant to any open market purchase or a global acquisition resulting in an indirect acquisition of the Equity Shares.
- c. The equity shares are listed on the BSE Limited, Mumbai ('**BSE**') (Security Code: 511169), Ahmedabad Stock Exchange Limited, Ahmedabad ('**ASE**') and Vadorada Stock Exchange Limited, Vadorada ('**VSE**'). However, VSE has now been derecognized by SEBI and ASE is non-operational, as on date. The International Securities Identification Number ('**ISIN**') of the equity shares of the Target Company is INE552N01015.
- d. The trading turnover in the equity shares, based on trading volumes during the twelve calendar months prior to the month of PA (June, 2016 to May, 2017), on BSE, is as given below

Name of Stock Exchange	Total No. of Equity Shares traded during the 12 calendar months prior to the month of PA	Weighted Average Number of Listed Equity Shares during the 12 calendar months prior to the month of PA	Trading turnover (in terms of % to Weighted Average Number of Listed Equity Shares)
BSE	-	19,00,000	-

(Source: www.bseindia.com)

- e. Based on the above, the equity shares are infrequently traded within the meaning of regulation 2(1) (j) of the SEBI (SAST) Regulations, 2011. Hence, the Offer Price determined in terms of regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011, being the highest of the following:

S. No.	Particulars	Rs.
a)	Negotiated Price under the Agreement	1/-
b)	The volume-weighted average price per equity share paid or payable for acquisition by the Acquirers during 52 weeks immediately preceding the date of PA	Not Applicable
c)	The highest price per equity share paid or payable for any acquisition by the Acquirers during 26 weeks immediately preceding the date of the PA	Not Applicable
d)	The volume-weighted average market price per equity share for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange	Not Applicable
e)	Other Parameters	Financial Year ended March 31, 2017 (Audited)
	Book Value per Equity Share (Rs.)	(4.68)
	Earnings Per Equity Share (Rs.)	(0.08)
	Return on Net worth (%)	-

CA Mahesh Murji Gala (Membership No. 116548), partner of M/s. M M Gala & Associates, Chartered Accountants (FRN: 124913W) having office at Office No. 1, 'A' Wing, Vijay Apartment CHS Ltd., LBS Marg, Near Teen Petrol Pump, Panchpakhadi, Thane (West), Mumbai-400602; Tel.: +91-22-25379096-9; E-mail: info@maheshca.com, vide a Report dated June 30, 2017, as per the principles of valuation considered by the Hon'ble Supreme Court in its decision in the case of Hindustan Lever Employee Union v/s Hindustan Lever Limited, 1995 (83 Com Case 30), for amalgamation of companies, considering the (i) Net Assets Value Method and (ii) Market Price Method and by assigning the weights of 2 and 1 respectively to the values, arrived the Fair Value of the Target Company as Re. 0.58 per equity share.

- f. In view of the parameters considered and presented above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 1/- (Rupee One only) per equity share is justified in terms of regulation 8 of the SEBI (SAST) Regulations, 2011.
- g. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under regulation 8(9) of the SEBI (SAST) Regulations, 2011.
- h. The Offer Price will be paid in cash in accordance with regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
- i. As on date there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirers shall comply with regulation 18 of SEBI (SAST) Regulations, 2011 and all the provisions of SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.
- j. If the Acquirers acquire or agree to acquire any Equity Shares or voting rights in the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of regulation 8(8) of SEBI (SAST) Regulations, 2011. Provided that no such acquisition shall be made after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
- k. The Acquirers are permitted to revise the Offer Price / Offer Size upward at any time up to 3 working days prior to the commencement of the Tendering Period in accordance with regulation 18(4) of the SEBI (SAST) Regulations, 2011. If there is any such upward revision in the Offer Price / Offer Size by the Acquirers, the same would be informed by way of the Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirers for all the shares validly tendered in the Open Offer.
- l. If the Acquirers acquire Equity Shares during the period of 26 (Twenty Six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an Open Offer under the SEBI (SAST) Regulations, 2011, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, as amended or modified from time to time, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares in any form.

6.2. DETAILS OF FIRM FINANCIAL ARRANGEMENTS:

- a. The total funding requirement for the Offer, assuming full acceptance, i.e. for the acquisition of 4,94,000 (Four Lakhs Ninety Four Thousand only) Equity Shares, at the Offer Price of Rs. 1/- (Rupee One only) is Rs. 4,94,000/- (Rupees Four Lakhs Ninety Four Thousand only) (**'Maximum Open Offer Consideration'**).
- b. In accordance with regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirers have opened an Escrow Account in the name and style of 'HFPL OPEN OFFER ESCROW ACCOUNT' bearing Account No. 000405115169 (**'Open Offer Escrow Account'**) with ICICI Bank Limited (**'Escrow Bank'**), a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara-390 007, Gujarat, India, having one of its branches at Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai-400020, Maharashtra, India, and deposited an amount of Rs. 4,94,000/- (Rupees Four Lakhs and Ninety Four Thousand only), in cash, being 100% of the Maximum Open Offer Consideration.
- c. The Manager to the Open Offer has entered into an agreement with the Acquirers, and the Escrow Bank (**'Escrow Agreement'**) pursuant to which the Acquirers have solely authorized the Manager to the Open Offer to realize the value of the Open Offer Escrow Account as per the provisions of the SEBI (SAST) Regulations, 2011.

- d. Based on the above, Ashika Capital Limited, the Manager to the Offer is satisfied that the firm arrangements for the funds and money for payment have been put in place by the Acquirers to implement the Offer in full in accordance with the SEBI (SAST) Regulations, 2011.
- e. In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirers prior to effecting such revision, in terms of regulation 17(2) of the SEBI (SAST) Regulations, 2011.

7. TERMS AND CONDITIONS OF THE OFFER:

7.1. OPERATIONAL TERMS AND CONDITIONS:

- a. This Open Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of the SEBI (SAST) Regulations, 2011.
- b. This Open Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations, 2011.
- c. The Open Offer is subject to the terms and conditions set out in this LoF, the Form of Acceptance, the PA, the DPS and any other public announcements that may be issued with respect to the Open Offer.
- d. The Letter of Offer together with the Form of Acceptance-cum-Acknowledgment (Form of Acceptance) and Form SH-4 (Securities Transfer Form) (for shareholders holding Equity Shares in the physical form) is being mailed to all the shareholders of the Target Company (except the Acquirers and the Sellers, including Persons deemed to be acting in concert with such parties) whose names appear on the register of members of the Target Company and to the owners of the Equity Shares whose names appear as beneficiaries on the record of the respective depositories, at the close of business on the Identified Date i.e. September 15, 2017 (Friday).
- e. Accidental omission to dispatch this Letter of Offer to any shareholder entitled to this Open Offer or non receipt of this Letter of Offer by any shareholder entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- f. Eligible persons can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer alongwith Form of Acceptance and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the Date of Closing of Tendering Period i.e. October 13, 2017 (Friday). Alternatively, the Letter of Offer alongwith 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 website.
- g. The shareholders to whom the Open Offer is being made are free to offer their equity shares in the Target Company in whole or in part while accepting the Open Offer.
- h. The acceptance of the Open Offer must be unconditional, absolute and unqualified 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).
- i. The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free and clear from all liens, charges, equitable interests and encumbrances and are tendered together with all rights attached thereto, including the rights to all dividends, bonus and rights offers, if any, declared thereafter and the tendering Public Shareholder shall have obtained any necessary consents (including any statutory approvals, if required) for it to sell the Equity Shares on the foregoing basis
- j. The Acquirers will not be responsible in any manner for any loss of equity share certificate(s) and Open Offer acceptance documents during transit. The Public Shareholders are advised to adequately safeguard their interest in this regard.

- k. 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 the free transferability of such equity shares tendered under the Open Offer prior to the Date of Closure of the Tendering Period.
- l. No indemnity would be required from unregistered shareholders regarding the title to the shares.
- m. Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'no objection certificate' from lenders is attached with the Form of Acceptance.
- n. This Open Offer is subject to the receipt of the statutory and other approvals as mentioned under paragraph 'Statutory Approvals' of this Letter of Offer.
- o. Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- p. In terms of regulation 18(9) of the SEBI (SAST) Regulations, 2011, the shareholders who have accepted this Open Offer by tendering their equity shares and requisite documents in terms of the PA, DPS and Letter of Offer are not entitled to withdraw such acceptance during the Tendering Period for this Open Offer.
- q. If the aggregate valid responses to this Offer by the shareholders are more than the Offer Size, then the acceptance would be on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner. The Acquirers will acquire all the Equity Shares validly accepted in this Offer.

7.2. LOCKED-IN SHARES:

As on date of the Letter of Offer, none of the Equity Shares are under lock-in period.

7.3. ELIGIBILITY FOR ACCEPTING THE OFFER:

All the owners of the Equity Shares, registered or unregistered, except the Acquirers and the Sellers, who are parties to the Agreement, including persons deemed to be acting in concert with such parties, are eligible to participate in this Open Offer at any time during the Tendering Period for this Open Offer.

The Public Announcement, the Detailed Public Statement, the Draft Letter of Offer, the Letter of Offer and the Form of Acceptance will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance from SEBI's website.

7.4. STATUTORY APPROVALS:

- a. Non-resident Indians ("NRIs") and Overseas Corporate Bodies ("OCBs") holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Open Offer and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept the Open Offer. Further, if holders of the equity shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB) in respect of the equity shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the equity shares, to tender the equity shares held by them pursuant to this Open Offer, along with the other documents required to be tendered to accept this Open Offer. The Acquirers will be making an application to the RBI seeking approval to purchase the Equity Shares tendered by the NRI and OCB shareholders in the Offer. While the aforesaid application remains pending with the RBI, NRI and OCB shareholders may also approach the RBI independently to seek approval to tender the Equity Shares in the Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such equity shares tendered in this Open Offer.

- b. As on the date of this Letter of Offer, to the best of knowledge and belief of the Acquirers, there are no statutory approvals required to acquire the Equity Shares by the Acquirers tendered pursuant to this Offer other than as indicated hereinabove. However, in case of any other statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals and the Acquirers shall make the necessary applications for such approvals
- c. If the holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from RBI, the Foreign Investment Promotion Board (“**FIPB**”) or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Open Offer, along with the other documents required to be tendered to accept this Open Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Open Offer
- d. In case of delay/non-receipt of any approval which may be required by the Acquirers at a later date, as per regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that non receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirers to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirers to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time. Provided where the statutory approvals extend to some but not all equity shareholders, the Acquirers have the option to make payment to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER:

1. The Open Offer will be implemented by the Acquirers through Stock Exchange mechanism made available by the BSE in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI.
2. BSE shall be the **Designated Stock Exchange** for the purpose of tendering shares in the Open Offer.
3. The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the BSE in the form of a separate window - Acquisition Window.
4. The Acquirers have appointed Ashika Stock Broking Limited (“**Buying Broker**”) as its broker for the Open Offer through whom the purchase and settlement of the Offer Shares tendered in the Open Offer will be made. The contact details of the Buying Broker are as mentioned below:
ASHIKA STOCK BROKING LIMITED
1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai- 400 021
Contact Person: Mr. Rajesh Ajani; Tel: +91 22 6611 1714
5. All eligible 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 Tendering Period.
6. Separate Acquisition window will be provided by the stock exchange to facilitate placing of sell orders. The Selling Brokers can enter orders for demat shares as well as physical shares.
7. Modification / cancellation of Orders will not be allowed during the period the Offer is open.
8. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the stock exchange during Tendering Period.
9. Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (Know Your Customer/Client (KYC) Compliant).

9. Procedure for tendering Equity Shares held in dematerialised form:

- 9.1. Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their respective depository participant (“DP”)/Selling Broker (in case the trading and demat accounts are with the same member) indicating the details of Equity Shares they intend to tender in Open Offer by filling and handing over the Delivery Instruction Slip (“DIS”) to such DP / Selling Broker to ensure the transfer of Equity Shares to the Selling Broker’s pool account. In case the DP is not the Selling Broker, the Public Shareholder is required to submit a copy of the DIS to the Selling Broker for placing the sell order. The Public Shareholders are advised to retain an acknowledged copy of the DIS.
- 9.2. The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation of Stock Exchange (“**Clearing Corporation**”) before placing the bids/orders and the same shall be validated at the time of order entry.
- 9.3. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- 9.4. 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 BSE/Clearing Corporation, before the opening of the Offer.
- 9.5. Upon placing the bid, the Selling Broker(s) shall provide the Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of Shares tendered etc.
- 9.6. The Equity Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The Public Shareholders holding shares in demat mode are not required to fill any Form of Acceptance. Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptances.

10. Procedure for tendering Equity Shares held in physical form:

- 9.7. The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach the Selling Broker and submit complete set of documents for verification procedure as mentioned below:
 - a) 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;
 - b) Original share certificate(s);
 - c) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place;
 - d) Self attested PAN card copy (in case of joint holders, PAN card copy of all transferors);
 - e) Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature);
 - f) Self attested copy of address proof such as valid adhaar Card, voter ID, passport or driving license.
- 9.8. The Seller Broker(s) should place bids on the exchange platform with relevant details as mentioned on physical share certificate(s). The Seller Broker(s) to print the TRS generated by the exchange bidding system. TRS will contain the details of order submitted like Folio No., Certificate No. Distinctive Nos., No. of Shares, etc.
- 9.9. After placement of order, as mentioned in above point, the Seller Broker/investor must ensure delivery of the Form of Acceptance-cum-Acknowledgement, copy of the TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in above point

either by registered post/speed post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page of this Letter of Offer not later than 2 (two) working days from closure of the Tendering Period. The envelope should be superscribed as "**HIMALCHULI FOOD PRODUCTS LIMITED - OPEN OFFER**". One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

- 9.10. Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical shares in Open Offer shall be subject to verification by Registrar to the Offer. On receipt of the confirmation from Registrar to the Offer the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.
- 9.11. In case any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before the Closure of the Tendering Period.

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

- 10.1. 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.
- 10.2. A Shareholder may participate in the Offer by approaching their broker/Selling Broker and tender Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Acceptance Form.
- 10.3. The Letter of Offer will be dispatched to all the Eligible Shareholders of the Target Company. Public Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptances along with the Letter of Offer. 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.
- 10.4. 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.

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

12. Settlement Process:

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

- 12.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 12.3. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation
- 12.4. 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.
- 12.5. In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released to the securities pool account of the Selling Broker(s)/custodian, post which, the Seller Broker(s) would then issue contract note for the shares accepted and return the balance shares to the Shareholders.
- 12.6. Any excess physical shares, to the extent tendered but not accepted, will be returned back to the Shareholder(s) directly by Registrar to the Offer

13. Settlement of Funds / Payment Consideration:

- (i) The settlement of fund obligation for demat and physical shares shall be effected through existing settlement accounts of Seller Brokers.
- (ii) The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Seller Broker/custodian participant will receive funds payout in their settlement bank account. The Seller Brokers/custodian participants would pay the consideration to their respective clients.
- (iii) The funds received from Buyer Broker by the Clearing Corporation will be released to the Seller Broker(s) as per secondary market pay out mechanism.
- (iv) Shareholders who intend to participate in the Offer should consult their respective Seller Broker for payment to them of any cost, charges and expenses (including brokerage and STT) that may be levied by the Seller 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 Seller Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

NOTE ON TAXATION:

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 not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised 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 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 REASON OF THIS OFFER.

11. DOCUMENTS FOR INSPECTION

The copies of the following documents will be available for inspection to the Public Shareholders at the office of the Manager to the Offer at 1008, 10th Floor, Raheja Centre, 214, Nariman Point, Mumbai 400 021, on any working day (except Saturdays, Sundays and bank holidays) between 10.30 a. m. to 3.00 p.m. during the period from the Date of Commencement of the Tendering Period till the Date of Closing of the Tendering Period.

- i. Copy of Share Purchase Agreement dated June 30, 2017, entered by and among the Acquirers and the Sellers, which triggered this Open Offer.
- ii. Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- iii. Annual Reports of the Target Company for the financial year ended March 31, 2015, March 31, 2016 and audited financial information for the financial year ended March 31, 2017.
- iv. Networth Certificates of the Acquirers, dated June 30, 2017, issued by M/s. M M Gala & Associates, Chartered Accountants (FRN: 124913W), having office at Office No. 1, 'A' Wing, Vijay Apartment CHS Ltd., LBS Marg, Near Teen Petrol Pump, Panchpakhadi, Thane (West), Mumbai-400602.
- v. Letter(s) from ICICI Bank Limited confirming the amount kept in the Escrow Account.
- vi. Copies of the Public Announcement and Detailed Public Statement.
- vii. Copy of the recommendation made by Committee of Independent Directors of the Target Company's, as required under regulation 26(7) of SEBI (SAST) Regulations, 2011.
- viii. Copy of the Observation Letter No. CFD/DCR2/OW/P/2017/22225/1 dated September 14, 2017 received from SEBI.

12. DECLARATION BY THE ACQUIRERS:

The Acquirers accept full responsibility, jointly and severally, for their obligations under the Open Offer and shall be responsible for the fulfilment of obligations under the SEBI (SAST) Regulations, 2011 in respect of the Open Offer. The Acquirers accept full responsibility for the information contained in this Letter of Offer including the Form of Acceptance cum Acknowledgement (other than such information as has been obtained from publicly available sources). All information pertaining to the Target Company has been obtained from publicly available sources or confirmed by the Target Company and the accuracy thereof has not been independently verified by the Manager to the Offer.

The information contained in this Letter of Offer is as of the date of this Letter of Offer, unless expressly stated otherwise.

We, the Acquirers, have made all reasonable inquiries, accepts responsibility, jointly and severally, and confirm that this Letter of Offer is in compliance with the SEBI (SAST) Regulations, 2011 and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The person(s) signing this Letter of Offer are the Acquirers.

NILESH MALSHI SAVLA

MEENA NILESH SAVLA

Place: Mumbai

Date: September 19, 2017

Enclosures:

- a. *Form of Acceptance cum Acknowledgement*
- b. *Form SH 4- Securities Transfer Form, for physical shareholders*

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

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

From:
Folio No.:

Name:
Address:

TENDERING PERIOD FOR THE OFFER	
OPENS ON:	September 29, 2017 (Friday)
CLOSES ON:	October 13, 2017 (Friday)

Tel. No.

Fax No.:

E-mail:

To

Purva Sharegistry (India) Private Limited,
(Unit: Himalchuli Food Products Limited - Open Offer)
Unit No. 9, Shiv Shakti Industrial Estate,
J .R. Boricha Marg, Lower Parel (E), MUMBAI-400 011.

Dear Sir,

Sub: Open Offer to acquire upto 4,94,000 equity shares having face value of Rs. 10/- each, constituting 26% of the voting share capital of Himalchuli Food Products Limited ('Target Company'), at a price of Rs. 1/- per equity share by Nilesh Malshi Savla and Meena Nilesh Savla (collectively referred as 'Acquirers') from the Public Shareholders of the Target Company in compliance with the SEBI (SAST) Regulations, 2011 ("Offer")

I/We refer to the Letter of Offer dated September 19, 2017 for acquiring the Equity Shares held by me/us in Himalchuli Food Products Limited. Capitalised terms not defined here shall have the meanings ascribed to them under the Letter of Offer.

I/We, the undersigned, have read the Public Announcement, the Detailed Public Statement and the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

FOR EQUITY SHARES HELD IN PHYSICAL FORM

I/We, holding the Equity Shares in physical form, accept the Open Offer and enclose the original Share Certificate(s) and duly signed Form No. SH-4 (Securities Transfer Form) in respect of my/our Equity Shares as detailed below:

S. No.	Regd. Folio Number	Share Certificate Number	Distinctive Numbers		Number of Equity Shares
			From	To	
1.					
2.					
3.					
Total Number of Equity Shares					

(In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same)

I/We confirm that the Equity Shares which are being tendered herewith by me/us under this Open Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I/We have obtained any necessary consents to sell the Equity Shares on the foregoing basis.

I/We also note and understand that the obligation on the Acquirers to pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance-cum-Acknowledgment.

I/We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961. I/We are not debarred from dealing in Equity Shares.

I/We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by me/us, I/we will indemnify the Acquirers for such income tax demand (including interest, penalty, etc.) and provide the Acquirers with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

I/We note and understand that the Shares/original Share Certificate(s) and Form No. SH-4 (Securities Transfer Form) will be held by the Registrar to the Offer in trust for me/us till the date the Acquirers make the payment of consideration as mentioned in the Letter of Offer or the date by which original share certificate(s), Form No. SH-4 (Securities Transfer Form) and other documents are dispatched to the shareholders, as the case may be.

I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

I / We confirm that in case the Acquirers are of the view that the information / documents provided by me / us is inaccurate or incomplete or insufficient, then tax may be deducted at source at the applicable maximum marginal rate on the entire consideration paid to the Public Shareholders.

I/We note and understand that the Equity Shares would lie with the Clearing Corporation until the time the Acquirers make payment of purchase consideration as mentioned in the Letter of Offer. I/We authorise the Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer and I/we further authorize the Acquirers to return to me / us the share certificate(s) or other documents or papers or correspondence in respect of which the Open Offer is not found valid/not accepted without specifying the reasons thereof to the sole / first holder at the address mentioned above by Book-Post/Speed Post / Registered Post or through courier, as may be applicable, at my / our risk.

Yours faithfully,

Signed & Delivered:

	Full Name	PAN	Signature
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all must sign. In case of body corporate, the Common Seal should be affixed and necessary Board Resolutions should be attached.

Place: _____

Date: _____

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

ACKNOWLEDGEMENT SLIP

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

(Unit- Himalchuli Food Products Limited-Open Offer)

Unit No. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg, Lower Parel (E), Mumbai-400 011.

Tel.: +91-22-23016761 / 8261; Fax: +91-22- 23012517[E-mail: busicomp@vsnl.com

Received from Mr. / Ms. / Smt: _____

Address: _____

Form of Acceptance-cum-Acknowledgement for _____ Shares along with:

Physical Shares: Share Certificate(s) along with _____ number of
Form SH 4- Securities Transfer Form(s) under Folio Number (s) _____

TRS No.: _____

Other Documents, please specify: _____

(Tick whichever is applicable)

Stamp of Registrar to the Offer:		Signature of the Official:		Date of Receipt:	
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All future correspondence, if any, should be addressed to the Registrar to the Offer at their address quoting your Folio No.

PRINTED MATTER
BOOK POST

To

If undelivered, please return to:
PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED
(Unit:- Himalchuli Food Products Limited - Open Offer)
Unit No. 9, Shiv Shakti Industrial Estate,
J .R. Boricha Marg, Lower Parel (E), Mumbai-400 011.
Tel.: +91-22-23016761 / 8261; Fax: +91-22- 23012517
E-mail: basicomp@vsnl.com