

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a Shareholder(s) of Choice International Limited (hereinafter referred to as "Target Company" or "Target" or "CIL"). 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 Draft Letter of Offer 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

Mr. Kamal Poddar, residing at Flat No. 1902, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai-400072, Mobile no.: +91 9724242424; **(Acquirer 1)**,
Mr. Arunkumar Poddar, residing at Flat No. 1901, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai 400072, Mobile no.: +91- 9022242424;**(Acquirer 2)**,
Ms. Sonu Poddar, residing at Flat No. 1901, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai 400072, Mobile no.: +91- 9969579365; **(Acquirer 3)**,
Ms. Vinita Sunil Patodia, residing at B-903, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra - 400076, Mobile no.: +91-9819844085; **(Acquirer 4)**
and
Ms. Archana Anil Patodia, residing at 904/B, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra - 400076, Mobile no.: +91- 9820078789; **(Acquirer 5)**
(Acquirer 1, Acquirer 2, Acquirer 3, Acquirer 4 and Acquirer 5 hereinafter collectively referred to as the "Acquirers")
along with
Mr. Sunil Kumar Patodia (PAC 1), Sunil Chothmal Patodia (HUF) (PAC 2), Mr. Anil Chothmal Patodia (PAC 3), Anil Chothmal Patodia (HUF)(PAC 4),
Mr. Suyash Sunil Patodia (PAC 5) and Ms. Shreya Patodia (PAC 6), residing at B-903, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra– 400076;
Mr. Aayush Anil Patodia (PAC 7), Ms. Aastha Anil Patodia (PAC 8), residing at 904/B, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra – 400076;
Ms. Hemlata Kamal Poddar (PAC 9), Kamal Poddar (HUF) (PAC 10), residing at Flat No. 1902, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai-400072;
Arunkumar Poddar (HUF) (PAC 11), residing at Flat No. 1901, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai 400072
and
Upton Infrastructure Private Limited (PAC 12), having its registered office at Shree Shakambhari Corporate Park, Plot No. 156-158, J. B. Nagar, Andheri (East), Mumbai- 400099
(PAC 1 to PAC 12 hereinafter collectively referred to as "Persons Acting In Concert"/"PACs") with the Acquirers

to the shareholder(s) of

Choice International Limited

Registered office: Shree Shakambhari Corporate Park, 156 158, J.B. Nagar, Andheri (E), Mumbai- 400099

Telephone No.: +91 022 6707-9999, **Email ID:** info@choiceindia.com, **Website:** www.choiceindia.com

To acquire upto 52,01,248 (Fifty Two Lakhs One Thousand Two Hundred And Forty Eight) Equity Shares of the face value of Rs. 10 each ("Offer Shares"), representing 26% of the fully paid up Equity Share Capital of the Target Company at a price of Rs. 63/- (Rupees Sixty Three) per fully paid up Equity Share of Rs. 10 each, payable in cash.

Please Note:

- This Offer is being made by the Acquirers pursuant to regulation 3(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations").
- This Open Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of SEBI (SAST) Regulations.
- This Open Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.**
- There has been no Competing Offer as on the date of this Draft Letter of Offer.**
- The Offer is subject to the receipt of statutory and other approvals as mentioned in Paragraph 7.4 of this Draft Letter of Offer.
- If there is any upward revision in the Offer Price or the number of Shares sought to be acquired under the Open Offer by the Acquirers at any time prior to the commencement of the last three working days before the commencement of the tendering period i.e. upto Monday, July 17, 2017 the same would be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement appeared. The revised Offer Price would be payable for all the Equity Shares validly tendered anytime during the Tendering Period.
- A copy of the Public Announcement, the Detailed Public Statement, Draft Letter of Offer and Letter of Offer (including Form of Acceptance cum Acknowledgment) are also available on SEBI's website (www.sebi.gov.in).

MANAGER TO THE OFFER



CORPORATE CAPITAL VENTURES PRIVATE LIMITED

SEBI Regn. No.: MB/INM000012276

Regd. Off.: 160 (Basement), Vinoba Puri, Lajpat Nagar –II, New Delhi- 110024

Tel No.: +91-11-41704066

Contact Person: Mr. Kulbhushan Parashar

E-mail: info@ccvindia.com

Website: www.ccvindia.com

REGISTRAR TO THE OFFER



SHAREX DYNAMIC (INDIA) PRIVATE LIMITED

SEBI Regn. No.: INR000002102

Address: Unit No.1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra 400072

Tel No.: +91 22-28515606/5644

Contact Person: Mr. B S. Baliga

Email ID: sharexindia@vsnl.com

Website: www.sharexindia.com

SCHEDULE OF THE ACTIVITIES PERTAINING TO THE OFFER

Nature of Activity	Day and Date
Date of the Public Announcement	Tuesday, May 30, 2017
Date of publication of the Detailed Public Statement	Tuesday, June 06, 2017
Last date of filing of the draft Letter of Offer with SEBI	Tuesday, June 13, 2017
Last date for a Competing Offer	Wednesday, June 28, 2017
Identified Date*	Friday, July 07, 2017
Last Date by which Letter of Offer will be dispatched to the Shareholders	Friday, July 14, 2017
Last date by which an independent committee of the Board of Target Company shall give its recommendation	Wednesday, July 19, 2017
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in newspaper	Thursday July 20, 2017
Date of commencement of tendering period (Offer Opening Date)	Friday, July 21, 2017
Date of expiry of tendering period (Offer Closing Date)	Thursday, August 03, 2017
Date by which all requirements including payment of consideration would be completed	Monday, August 21, 2017

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

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RISK FACTORS

RISKS RELATED TO THE TRANSACTION, THE PROPOSED OPEN OFFER AND THE PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRERS AND THE PACs

(A) Risk relating to the transaction

The transaction is a conversion of Warrants into Equity Shares on May 30, 2017 by the Acquirers and PACs issued on preferential basis.

(B) Risk relating to the Offer

1. To the best of knowledge of the Acquirers and the PACs, no statutory approvals are required for completing the offer except permission of the RBI shall be required for any change in the shareholding of an NBFC, including progressive increases over time, which would result in acquisition/ transfer of shareholding of 26 per cent or more of the paid up equity capital of the NBFC in terms of RBI Circular No. DNBR (PD) CC. No. 065/03.10.001/2015-16 dated July 09, 2015 ("RBI Approval"). However, the Offer will be subject to all statutory approvals that may become applicable at a later date. The Acquirers and the PACs reserve the right to withdraw the Offer in accordance with Regulation 23(1)(a) of the SEBI (SAST) Regulations in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused.
2. In the event: (a) the regulatory approvals are not received in a timely manner; or (b) there is any litigation to stay the Offer; or (c) SEBI instructs the Acquirers and the PACs not to proceed with the Offer or to comply with certain conditions before proceeding the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer.
3. Consequently, the payment of consideration to the public shareholders of CIL, whose Equity Shares are validly accepted in the Offer as well as the return of Equity Shares not validly accepted in the Offer, may be delayed.
4. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
5. Equity Shares, once tendered through the Form of Acceptance-cum-Acknowledgement in the Offer, cannot be withdrawn by the Eligible Shareholders, even if the acceptance of Equity Shares under the Offer and dispatch of consideration are delayed.
6. The Equity Shares tendered in the Offer will be held in trust in the pool account of the broker / in trust by the Clearing Corporation / Registrar to the Offer until the completion of the Offer formalities and the Eligible Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares, even if the acceptance of the Equity Shares in the Offer and dispatch of payment consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Eligible Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Eligible Shareholders will be solely responsible for their decisions regarding the participation in this Offer. None of the Acquirers, PACs or the Manager to the Offer makes any assurance with respect to the market price of the Equity Shares before the commencement of the Offer, during the period that the Offer is open and upon completion of the Offer and disclaims any responsibility with respect to any decision by the Eligible Shareholders on whether or not to participate in the Offer.
7. The Acquirers, PACs and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Draft Letter of Offer/Detailed Public Statement/Public Announcement/ advertisements or any materials issued by or at the instance of the Acquirers and the PACs. Anyone placing reliance on any other source of information (not released by the Acquirers, PACs or the Manager to the Offer) will be doing so at his/her/their own risk.
8. This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer residing 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, PACs or the Manager to the Offer to any new or additional registration requirements.

9. The Eligible Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, and the appropriate course of action that they should take. The Acquirers and the PACs do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
10. Unless otherwise mentioned the information contained in the DLOF is as of the date of this DLOF. The Acquirers, PACs and the Manager to the Offer are under no obligation to update the information contained herein at any time after the date of this DLOF.

(C) Probable risk involved in associating with the Acquirers and the PACs

1. The Acquirers and the PACs make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirers and the PACs make no assurance with respect to their investment/disinvestment decisions relating to their proposed shareholding in the Target Company.
3. The Acquirers and the PACs do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Offer.
4. The Acquirers and the PACs do not accept any responsibility for statements made otherwise than in the Letter of Offer (LOF)/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 Acquirers and/or the PACs) would be doing so at his/her/its own risk.
5. The Acquirers and the PACs do not accept the responsibility with respect to the information contained in the PA or DPS or DLOF or LOF that pertains to the Target Company and has been compiled from publicly available resources.

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 Target Company are advised to consult their Stock Brokers or Investment Consultants, if any, for analyzing all the risks with respect to their participation in the Offer.

CURRENCY OF PRESENTATION

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

1. DEFINITIONS

Acquirer 1	Mr. Kamal Poddar
Acquirer 2	Mr. Arunkumar Poddar
Acquirer 3	Ms. Sonu Poddar
Acquirer 4	Ms. Vinita Sunil Patodia
Acquirer 5	Ms. Archana Anil Patodia
Acquirers	Mr. Kamal Poddar, Mr. Arunkumar Poddar, Ms. Sonu Poddar, Ms. Vinita Sunil Patodia and Ms. Archana Anil Patodia
BSE	BSE Limited
CCV/Manager to the Offer/MB/Merchant Banker	Corporate Capital Ventures Private Limited, the Merchant Banker appointed by the Acquirers pursuant to regulation 12 of the SEBI (SAST) Regulations
Date of Opening of Offer	Friday, July 21, 2017
Date of Closure of Offer	Thursday, August 03, 2017
Detailed Public Statement/DPS	Detailed Public Statement dated June 05, 2017, made by the Manager to the Offer on behalf of the Acquirers and PACs to the shareholders of Choice International Limited, which was published on June 06, 2017 in all editions of Financial Express (English) and Jansatta (Hindi) and in Apla Mahanagar (Marathi)
Draft Letter of Offer/DLOF/DLOO	The Draft Letter of Offer dated Friday, June 09, 2017 submitted to SEBI for its observations.
Eligible Person(s)/Eligible Shareholder(s) for the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company (except the Acquirers and the PACs) are eligible to participate in the Offer any time before the closure of the Offer.
Choice International Limited/CIL/ Target Company/Target	A Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Shree Shakambhari Corporate Park, 156 158, J.B. Nagar, Andheri (E), Mumbai- 400099.
FIPB	Foreign Investment Promotion Board
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FIIIs	Foreign Institutional Investors registered with SEBI

Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
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.
Letter of Offer/LOO/LOF	The Letter of Offer dated [●]
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
Offer/Open Offer	Open Offer for acquisition of upto 52,01,248 (Fifty Two Lakhs One Thousand Two Hundred And Forty Eight) Equity Shares of the face value of Rs. 10 each ("Offer Shares"), representing in aggregate 26% of the fully paid up Equity Share Capital of the Target Company at a price of Rs. 63/- (Rupees Sixty Three Only) per fully paid up Equity Share of Rs. 10 each, payable in cash.
Offer Price	Rs. 63/- (Rupees Sixty Three Only) per fully paid up equity share of Rs. 10/- each.
PAC 1	Mr. Sunil Kumar Patodia
PAC 2	Sunil Chothmal Patodia (HUF)
PAC 3	Mr. Anil Chothmal Patodia
PAC 4	Anil Chothmal Patodia (HUF)
PAC 5	Mr. Suyash Sunil Patodia
PAC 6	Ms. Shreya Patodia
PAC 7	Mr. Aayush Anil Patodia
PAC 8	Ms. Aastha Anil Patodia
PAC 9	Ms. Hemlata Kamal Poddar
PAC 10	Kamal Poddar (HUF)
PAC 11	Arunkumar Poddar (HUF)
PAC 12	Upton Infrastructure Private Limited
Persons Acting In Concert/ PACs	Mr. Sunil Kumar Patodia, Sunil Chothmal Patodia (HUF), Mr. Anil Chothmal Patodia, Anil Chothmal Patodia (HUF), Mr. Suyash Sunil Patodia, Ms. Shreya Patodia, Mr. Aayush Anil Patodia, Ms. Aastha Anil Patodia, Ms. Hemlata Kamal Poddar, Kamal Poddar (HUF), Arunkumar Poddar (HUF) and Upton Infrastructure Private Limited
Public Announcement/PA	Public Announcement dated May 30, 2017 made by the Manager to the Offer on behalf of the Acquirers on May 30, 2017.
Promoter/Promoter Group	Mr. Kamal Poddar, Mr. Arunkumar Poddar, Ms. Sonu Poddar, Ms. Vinita Sunil Patodia, Ms. Archana Anil Patodia, Mr. Sunil Kumar Patodia, Sunil Chothmal Patodia (HUF), Mr. Anil Chothmal Patodia, Anil Chothmal Patodia (HUF), Mr. Suyash Sunil Patodia, Ms. Shreya Patodia, Mr. Aayush Anil Patodia, Ms. Aastha Anil Patodia, Ms. Hemlata Kamal Poddar, Kamal Poddar (HUF), Arunkumar Poddar (HUF) and Upton Infrastructure Private Limited
Registrar/Registrar to the Offer/RTA	Sharex Dynamic (India) Private Limited as the Registrar to the Offer having office at Unit No.1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra 400072
Regulations/ SEBI (SAST) Regulations /SAST Regulations/Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof.
RBI	The Reserve Bank of India
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act, 1992, and subsequent amendments thereof.
Share(s)	Equity Shares of Choice International Limited
Stock Exchange	BSE Limited
Tendering period	A period of 10 (Ten) working days period from the date of opening of offer on Friday, July 21, 2017 to closing of offer on Thursday, August 03, 2017.

Note: All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the SEBI (SAST) Regulations unless specified.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF CHOICE INTERNATIONAL LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, PACs OR THE 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 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, CORPORATE CAPITALVENTURES PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 08, 2017 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH 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) of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and voting rights of Target Company.
- 3.1.2 The Acquirers and PACs belong to the existing Promoter and Promoter Group of the Target Company and held 46,86,527 equity shares constituting 46.84% of the paid up equity capital and voting rights of the Target Company.
- 3.1.3 The Securities Allotment Committee of the Target Company at its meeting held on April 08, 2016 have allotted, on a preferential basis, 1,00,00,000 warrants at a price of Rs. 40/- per warrant, carrying the right to subscribe to equal number of equity shares, (face value of Rs 10/- each at premium of Rs. 40/-) in the Target Company on conversion within a period of 18 months from the date of allotment to the following entities:

S. No.	Name of the Allottees	Category	No. of Equity Warrant
1	Mr. Kamal Poddar	Promoter	16124000
2	Mr. Arunkumar Poddar	Promoter	1900000
3	Ms. Sonu Poddar	Promoter	1150000
4	Ms. Vinita Sunil Patodia	Promoter	296073
5	Ms. Archana Anil Patodia	Promoter	1325000
6	Mr. Sunil Kumar Patodia	Promoter	800000
7	Sunil Chothmal Patodia (HUF)	Promoter	30000
8	Mr. Anil Chothmal Patodia	Promoter	850000
9	Anil Chothmal Patodia (HUF)	Promoter	75000
10	Mr. Suyash Sunil Patodia	Promoter	200000
11	Ms. Shreya Patodia	Promoter	200000
12	Mr. Aayush Anil Patodia	Promoter	300000
13	Ms. Aastha Anil Patodia	Promoter	300000
14	Ms. Hemlata Kamal Poddar	Promoter	650000
15	Arunkumar Poddar (HUF)	Promoter	125000
16	Upton Infrastructure Private Limited	Promoter	186527
	TOTAL		10000000

- 3.1.4 The aforesaid Preferential Issue of Warrants was duly authorized by the Board of Directors of the Target Company in its meeting held on February 13, 2016 and by the Shareholders by way of a Special Resolution passed under Sections 42, 62 and all other applicable provisions if any, of the Companies Act, 2013 at their Extra Ordinary General Meeting (EGM) held on March 15, 2016. The Target Company received the in principle approval for issue of warrants on a preferential basis to its Promoters from BSE Limited (BSE) vide its letter no. DSC/PREF/AC/PRE/887/2015-16 dated March 31, 2016.
- 3.1.5 The Acquirers and the PACs had vide letter dated May 30, 2017 expressed its intention to convert 1,00,00,000 warrants into equity shares. On May 30, 2017, 1,00,00,000 warrants were converted into equivalent number of equity shares. Pursuant to the conversion of warrants, there has been increase in the shareholding of promoter and promoter group by more than 5% of Equity Shares in the Target Company. The said increase in the shareholding of the Acquirers & PACs from 46.84% of the pre conversion paid up equity capital to 73.42% of the expanded paid up equity capital of the Target, consequent to conversion of warrants into equity shares of the Target, this mandatory offer (“the Offer” or “Open Offer”) is being made by the Acquirers and PACs in compliance with the Regulation 3(1) and other applicable provisions of SEBI (SAST) Regulations. This had resulted in substantial acquisition of shares or voting rights resulting in consolidation of holdings of the Promoter and Promoter Group without change in control or management of the Target Company.

3.1.6 Details of shareholding of the promoter and promoter group before and after the conversion of warrants is tabulated below:

Name of the Promoters	Prior to Conversion of Warrants		No. of Equity Shares allotted on conversion of warrants	Post conversion of warrants into Equity Shares		As on the date of this draft Letter of Offer	
	No. of Equity Shares	%	No. of Equity Shares	No. of Equity Shares	%	No. of Equity Shares	%
Mr. Kamal Poddar	887600	8.87	1612400	2500000	12.50	2500000	12.50
Mr. Arunkumar Poddar	200000	2.00	1900000	2100000	10.50	2100000	10.50
Ms. Sonu Poddar	100000	1.00	1150000	1250000	6.25	1250000	6.25
Ms. Vinita Sunil Patodia	1278927	12.78	296073	1575000	7.87	1575000	7.87
Ms. Archana Anil Patodia	250000	2.50	1325000	1575000	7.87	1575000	7.87
Mr. Sunil Kumar Patodia	300000	3.00	800000	1100000	5.50	1100000	5.50
Sunil Chothmal Patodia (HUF)	270000	2.70	30000	300000	1.50	300000	1.50
Mr. Anil Chothmal Patodia	250000	2.50	850000	1100000	5.50	1100000	5.50
Anil Chothmal Patodia (HUF)	225000	2.25	75000	300000	1.50	300000	1.50
Mr. Suyash Sunil Patodia	100000	1.00	200000	300000	1.50	300000	1.50
Ms. Shreya Patodia	100000	1.00	200000	300000	1.50	300000	1.50
Mr. Aayush Anil Patodia	-	-	300000	300000	1.50	300000	1.50
Ms. Aastha Anil Patodia	-	-	300000	300000	1.50	300000	1.50
Ms. Hemlata Kamal Poddar	200000	2.00	650000	850000	4.25	850000	4.25
Kamal Poddar (HUF)	225000	2.25	-	225000	1.12	225000	1.12
Arunkumar Poddar (HUF)	100000	1.00	125000	225000	1.12	225000	1.12
Upton Infrastructure Private Limited	200000	2.00	186527	386527	1.93	386527	1.93
Total	4686527	46.84	10000000	14686527	73.42	14686527	73.42

3.1.7 The warrants were allotted to infuse the fresh equity and to raise funds for future growth strategy and to augment the long term resources and working capital requirements of the Company. As regards the business is concerned, the Acquirers and the PACs proposes to continue and expand the existing business of the Target Company. There are no likely repercussions on the employment and the locations of the Target Company.

3.1.8 The Acquirers and the PACs 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 of the Regulations made under the SEBI Act.

3.1.9 There will be no change in the Board of Directors of the Target Company after the 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 thereof shall be sent to SEBI, Stock Exchange and the 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 regulation 13(4) of the SEBI (SAST) Regulations, the Acquirers and the PACs had made a Detailed Public Statement within 5 (five) working days from the date of Public Announcement. In accordance with regulation 14(3) of the SEBI (SAST) Regulations, the Detailed Public Statement has been published in the following newspapers:

Name of the Newspaper	Edition	Date
Financial Express (English)	All Editions	Tuesday, June 06, 2017
Jansatta (Hindi)	All Editions	Tuesday, June 06, 2017
Apla Mahanagar (Marathi)	Mumbai	Tuesday, June 06, 2017

3.2.2 A copy of the Detailed Public Statement for the Open Offer is also available on the website of SEBI at www.sebi.gov.in and on the website of the Manager to the Offer at www.ccvindia.com.

3.2.3 The Acquirers and the PACs are making an Offer to acquire up to 52,01,248 Equity Shares of face value of Rs. 10 each ("Offer Shares"), representing 26% of the expanded paid up Equity Share Capital of the Target Company at a price of Rs. 63/- (Rupees Sixty Three Only) per fully paid up Equity Share of Rs. 10 each, payable in cash.

3.2.4 All the shares of the Target Company are fully paid up and there are no partly paid up shares in the Target Company. There is no differential pricing in the Offer.

- 3.2.5 This is not a competing Offer in terms of regulation 20 of the SEBI (SAST) Regulations and there has been no competing offer as on the date of this Draft Letter of Offer.
- 3.2.6 This Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of the SEBI (SAST) Regulations.
- 3.2.7 The Acquirers will acquire upto 52,01,248 Equity Shares that are validly tendered in accordance with the terms of the Offer at the offer price. In the event the Equity Shares tendered in the Offer are more than the Equity Shares proposed to be acquired under the Offer, the acquisition of Equity Shares from the Eligible Shareholders will be on a proportionate basis, as detailed in paragraph 8.15 of this Draft Letter of Offer.
- 3.2.8 There is no agreement amongst the Acquirers and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.
- 3.2.9 The Equity Shares of the Target Company will be acquired by the Acquirers free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.10 The Acquirers and the PACs have not acquired any shares of the Target Company from the date of the PA i.e. May 30, 2017 upto the date of this Draft Letter of Offer.
- 3.2.11 Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed Corporate CapitalVentures Private Limited as the Manager to the Offer.
- 3.2.12 As on the date of this Draft Letter of Offer, the Manager to the Offer, Corporate CapitalVentures Private Limited, does not hold any Equity Shares in the Target Company, further, the Manager to the Offer is not related to the Acquirers, PACs and the Target Company in any manner whatsoever. 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.
- 3.2.13 As per Regulation 38 of SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR as amended and the Listing Agreement. However, the Acquirers and the PACs undertake to take necessary steps to facilitate Compliances of the Target Company with the relevant provisions of the Listing agreement within the time period mentioned therein.

3.3 Object of the Acquisition/Offer

- 3.3.1 The Acquires and PACs belongs to the existing Promoter and Promoter Group of the Target Company. The warrants were allotted to infuse the fresh equity and to raise funds for future growth strategy and to augment the long term resources and working capital requirements of the Company. As regards the business is concerned, the Acquirers and the PACs proposes to continue and expand the existing business of the Target Company. There are no likely repercussions on the employment and the locations of the Target Company.
- 3.3.2 Pursuant to the conversion of warrants, the shareholding of Acquirers & PACs has increased from 46.84% of the pre conversion paid up equity capital to 73.42% of the expanded paid up equity capital of the Target Company.
- 3.3.3 The Acquirers and the PACs do not have any intention to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations.

4. BACKGROUND OF THE ACQUIRERS AND THE PACs

4.1 Information about the Acquirers:

a. Mr. Kamal Poddar (Acquirer 1):

- i. Mr. Kamal Poddar aged about 38 years, son of Shri Santosh Kumar Poddar is residing at Flat No. 1902, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai-400072, Mobile no.: +91 9724242424. He is a Fellow Member of the Institute of Chartered Accountants of India and is the Managing Director of Choice International Limited. His vision has resulted into the rapid and multi-fold growth of Choice Group and belongs to the Promoter and Promoter Group of the Target Company. He has been

instrumental in converting a CA practice firm into a full fledged financial service hub providing all the financial services to its clients.

- II. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Mr. Kamal Poddar is Rs. 21,88,18,285/- (Rupees Twenty One Crore Eighty Eight Lakh Eighteen Thousand Two Hundred and Eighty Five only).
- III. As on date of this Draft Letter of Offer, Mr. Kamal Poddar is a Managing Director in the Target Company and he does not hold the position of Whole Time Director in any other Company. However, he shall not participate in any deliberations of the Board of Directors of the Target Company or vote on any matter relating to the Offer.
- IV. As on date of this Draft Letter of Offer, Mr. Kamal Poddar does not hold any positions on the Board of Directors in any listed company except Choice International Limited, the Target Company.
- V. As on the date of this Draft Letter of Offer, Mr. Kamal Poddar holds 2500000 Equity Shares representing 12.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- VI. Mr. Kamal Poddar has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

b. Details of Mr. Arunkumar Poddar (Acquirer 2):

- I. Mr. Arunkumar Poddar aged about 33 years, Son of Shri Santosh Poddar is residing at Flat No. 1901, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai 400072, Mobile no.: +91- 9022242424. He is a Member of the Institute of Chartered Accountants of India and heads the Management Consulting division and belongs to the Promoter and Promoter Group of the Target Company. He has been instrumental in putting together a leadership team with diverse skill sets and a common goal of offering holistic solutions to clients in the Management Consultancy division.
- II. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Mr. Arunkumar Poddar is Rs. 22,46,19,171/- (Rupees Twenty Two Crore Forty Six Lakh Nineteen Thousand One Hundred and Seventy One only).
- III. As on date of this Draft Letter of Offer, Mr. Arunkumar Poddar is not a Director on the Board of any Listed Company.
- IV. As on date of this Draft Letter of Offer, Mr. Arunkumar Poddar does not hold the position of Whole Time Director in any Company.
- V. As on the date of this Draft Letter of Offer, Mr. Arunkumar Poddar holds 2100000 Equity Shares representing 10.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- VI. Mr. Arunkumar Poddar has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

c. Details of Ms. Sonu Poddar (Acquirer 3):

- I. Ms. Sonu Poddar aged about 32 years, Daughter of Shri Devkaran Makhanlal Chirania is residing at Flat No. 1901, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai 400072, Mobile no.: +91- 9969579365. She is a member of Institute of Company Secretary of India (ICSI) and is having experience spanning over 7 years in the field of Legal and Company law and belongs to the Promoter and Promoter Group of the Target Company.
- II. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Ms. Sonu Poddar is Rs. 6,97,33,887/- (Rupees Six Crore Ninety Seven Lakh Thirty Three Thousand Eight Hundred & Eighty Seven only).
- III. As on date of this Draft Letter of Offer, Ms. Sonu Poddar is not a Director on the Board of any Listed Company.
- IV. As on date of this Draft Letter of Offer, Ms. Sonu Poddar does not hold the position of Whole Time Director in any Company.
- V. As on the date of Draft Letter of Offer, Ms. Sonu Poddar holds 1250000 Equity Shares representing 6.25% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- VI. Ms. Sonu Poddar has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

d. Details of Ms. Vinita Sunil Patodia (Acquirer 4):

- I. Ms. Vinita Sunil Patodia aged about 37 years, Daughter of Shri Ram Avtar Sitani is residing at B-903, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra - 400076, Mobile no.: +91-9819844085. She is graduate and belongs to the Promoter and Promoter Group of the Target Company.
- II. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Ms. Vinita Sunil Patodia is Rs. 81,27,13,061/- (Rupees Eighty One Crore Twenty Seven Lakh Thirteen Thousand and Sixty One only).
- III. As on date of this Draft Letter of Offer, Ms. Vinita Sunil Patodia is not a Director on the Board of any Listed Company.
- IV. As on date of this Draft Letter of Offer, Ms. Vinita Sunil Patodia does not hold the position of Whole Time Director in any Company.
- V. As on the date of Draft Letter of Offer, Ms. Vinita Sunil Patodia holds 1575000 Equity Shares representing 7.87% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- VI. Ms. Vinita Sunil Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

e. Details of Ms. Archana Anil Patodia (Acquirer 5):

- I. Ms. Archana Anil Patodia aged about 44 years, Daughter of Shri Shrigopal Vasudeo Jhunjhunwala is residing at 904/B, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra - 400076, Mobile no.: +91- 9820078789. She is Bachelor of Arts from the University of Rajasthan and belongs to the Promoter and Promoter Group of the Target Company. She is having vast experience in Management and Administrative functions. Her area of interest includes management training and leadership.
- II. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Ms. Archana Anil Patodia is Rs. 20,16,49,503/- (Rupees Twenty Crore Sixteen Lakh Forty Nine Thousand Five Hundred and Three only).
- III. As on date of this Draft Letter of Offer, Ms. Archana Anil Patodia is a Director on the Board of the below mentioned Listed Company.

Name of the Company	Corporate Identity Number
The Byke Hospitality Limited	L67190MH1990PLC056009

- IV. As on date of this Draft Letter of Offer, Ms. Archana Anil Patodia does not hold the position of Whole Time Director in any Company.
- V. As on the date of Draft Letter of Offer, Ms. Archana Anil Patodia holds 1575000 Equity Shares representing 7.87% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- VI. Ms. Archana Anil Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

f. Details of Mr. Sunil Kumar Patodia (PAC 1):

- i. Mr. Sunil Kumar Patodia aged about 49 years, Son of Shri Chothmal Patodia is residing at B-903, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra- 400076, Mobile no.: +91- 9820344085. He is a Member of the Institute of Chartered Accountants of India and heads the operation division and belongs to the Promoter and Promoter Group of the Target Company.
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Mr. Sunil Kumar Patodia is Rs. 8,51,11,087/- (Rupees Eight Crores Fifty One Lakh Eleven Thousand and Eighty Seven only).
- iii. As on date of this Draft Letter of Offer, Mr. Sunil Kumar Patodia is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mr. Sunil Kumar Patodia does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mr. Sunil Kumar Patodia holds 1100000 Equity Shares representing 5.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vi. Mr. Sunil Kumar Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

g. Details of Sunil Chothmal Patodia (HUF) (PAC 2):

- i. Sunil Chothmal Patodia (HUF) is a Hindu Undivided Family and incorporated on January 28, 1992. Mr. Sunil Chothmal Patodia is the Karta of Sunil Chothmal Patodia (HUF).
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Sunil Chothmal Patodia (HUF) is Rs. 2,71,94,239/- (Rupees Two Crore Seventy One Lakh Ninety Four Thousand Two Hundred and Thirty Nine only).
- iii. As on the date of this Draft Letter of Offer, Sunil Chothmal Patodia (HUF) holds 300000 Equity Shares representing 1.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- iv. Sunil Chothmal Patodia (HUF) has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

h. Details of Mr. Anil Chothmal Patodia (PAC 3):

- i. Mr. Anil Chothmal Patodia aged about 48 years, Son of Shri Chothmal Doongarmal Patodia is residing at B-903, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra- 400076, Mobile no.: +91- 9869268521. He is a commerce graduate from the University of Rajasthan, with over 20 years of experience in the hospitality and service industries and belongs to the Promoter and Promoter Group of the Target Company. He plays a significant role in the Company's operations and marketing, global expansion and future development.
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Mr. Anil Chothmal Patodia is Rs. 53,34,58,759/- (Rupees Fifty Three Crore Thirty Four Lakh Fifty Eight Thousand Seven Hundred and Fifty Nine only).
- iii. As on date of this Draft Letter of Offer, Mr. Anil Chothmal Patodia Director on the Board of the below mentioned Listed Company:

Name of the Company	Corporate Identity Number
The Byke Hospitality Limited	L67190MH1990PLC056009

- iv. As on date of this Draft Letter of Offer, Mr. Anil Chothmal Patodia does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mr. Anil Chothmal Patodia holds 1100000 Equity Shares representing 5.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vi. Mr. Anil Chothmal Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

i. Details of Anil Chothmal Patodia (HUF) (PAC 4):

- i. Anil Chothmal Patodia (HUF) is a Hindu Undivided Family and incorporated on December 10, 1994. Mr. Anil Chothmal Patodia is the Karta of Anil Chothmal Patodia (HUF).
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Anil Chothmal Patodia (HUF) is Rs. 2,63,47,727/- (Rupees Two Crore Sixty Three Lakh Forty Seven Thousand Seven Hundred twenty Seven only).
- iii. Anil Chothmal Patodia (HUF) holds 300000 Equity Shares representing 1.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- iv. Anil Chothmal Patodia (HUF) has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

j. Details of Mr. Suyash Sunil Patodia (PAC 5):

- i. Mr. Suyash Sunil Patodia aged about 22 years, Son of Shri Sunil Patodia is residing at B-903, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra- 400076, Mobile no.: +91- 9820023978. He is graduate and belongs to the Promoter and Promoter Group of the Target Company.

- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Mr. Suyash Sunil Patodia is Rs. 1,81,96,728/- (Rupees One Crore Eighty One Lakh Ninety Six Thousand Seven Hundred and Twenty Eight only).
- iii. As on date of this Draft Letter of Offer, Mr. Suyash Sunil Patodia is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mr. Suyash Sunil Patodia does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mr. Suyash Sunil Patodia holds 300000 Equity Shares representing 1.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vi. Mr. Suyash Sunil Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

k. Details of Ms. Shreya Patodia (PAC 6):

- i. Ms. Shreya Patodia aged about 23 years, Daughter of Shri Sunil Kumar Patodia is residing at B-903, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra- 400076, Mobile no.: +91- 9833754427. She is Master of Science in International Business and belongs to the Promoter and Promoter Group of the Target Company.
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Ms. Shreya Patodia is Rs. 2,15,71,907/- (Rupees Two Crore Fifteen Lakh Seventy One Thousand Nine Hundred & Seven only).
- iii. As on date of this Draft Letter of Offer, Ms. Shreya Patodia is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Ms. Shreya Patodia does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Ms. Shreya Patodia holds 300000 Equity Shares representing 1.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vi. Ms. Shreya Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

l. Details of Mr. Aayush Anil Patodia (PAC 7):

- i. Mr. Aayush Anil Patodia aged about 21 years, Son of Shri Anil Patodia is residing at 904/B, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra - 400076, Mobile no.: +91- 9867412889. He is graduate and belongs to the Promoter and Promoter Group of the Target Company.
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Mr. Aayush Anil Patodia is Rs. 8,32,42,176/- (Rupees Eight Crores Thirty Two Lakh Forty Two Thousand One Hundred and Seventy Six only).
- iii. As on date of this Draft Letter of Offer, Mr. Aayush Anil Patodia is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Mr. Aayush Anil Patodia does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Mr. Aayush Anil Patodia holds 300000 Equity Shares representing 1.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vi. Mr. Aayush Anil Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

m. Details of Ms. Aastha Anil Patodia (PAC 8):

- i. Ms. Aastha Anil Patodia aged about 19 years, Daughter of Shri Anil Chothmal Patodia is residing at 904/B, Vallencia, Hiranadani Garden, Powai, Mumbai, Maharashtra - 400076, Mobile no.: +91- 9820067882. She is pursuing Higher Secondary education and belongs to the Promoter and Promoter Group of the Target Company.

- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Ms. Aastha Anil Patodia is Rs. 1,36,08,719/- (Rupees One Crore Thirty Six Lakh Eight Thousand Seven Hundred and Nineteen only).
- iii. As on date of this Draft Letter of Offer, Ms. Aastha Anil Patodia is not a Director on the Board of any Listed Company.
- iv. As on date of this Draft Letter of Offer, Ms. Aastha Anil Patodia does not hold the position of Whole Time Director in any Company.
- v. As on the date of this Draft Letter of Offer, Ms. Aastha Anil Patodia holds 300000 Equity Shares representing 1.50% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vi. Ms. Aastha Anil Patodia has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

n. Details of Ms. Hemlata Kamal Poddar (PAC 9):

- i. Ms. Hemlata Kamal Poddar, aged about 35 years, Daughter of Shri Sajjan Kumar Mandawaria is residing at Flat No. 1902, IVY, Nahars Amrit Shakti, Chandiwali, Mumbai- 400072, Mobile no.: +91- 9870204567. She is post graduate and belongs to the Promoter and Promoter Group of the Target Company.
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Ms. Hemlata Kamal Poddar is Rs. 12,88,52,736/- (Rupees Twelve Crore Eighty Eight Lakh Fifty Two Thousand Seven Hundred and Thirty Six only).
- iii. As on date of this Draft Letter of Offer, Ms. Hemlata Kamal Poddar is a Director in the Target Company and she does not hold the position of Whole Time Director in any other Company. However, she shall not participate in any deliberations of the Board of Directors of the Target Company or vote on any matter relating to the Offer.
- iv. As on date of this Draft Letter of Offer, Ms. Hemlata Kamal Poddar does not hold any positions on the Board of Directors in any listed company except Choice International Limited, the Target Company.
- v. As on the date of this Draft Letter of Offer, Ms. Hemlata Kamal Poddar holds 850000 Equity Shares representing 4.25% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vi. Ms. Hemlata Kamal Poddar has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

o. Details of Kamal Poddar (HUF) (PAC 10):

- i. Kamal Poddar (HUF) is a Hindu Undivided Family and incorporated on January 30, 2005. Mr. Kamal Poddar is the Karta of Kamal Poddar (HUF).
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of Kamal Poddar (HUF) is Rs. 2,48,19,794/- (Rupees Two Crore Forty Eight Thousand Nineteen Thousand Seven Hundred and Ninety Four only).
- iii. As on the date of this Letter of Offer, Kamal Poddar (HUF) holds 225000 Equity Shares representing 1.12% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- iv. Kamal Poddar (HUF) has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

p. Details of Arunkumar Poddar (HUF) (PAC 11):

- i. Arunkumar Poddar (HUF) is a Hindu Undivided Family and incorporated on November 29, 2010. Mr. Arunkumar Poddar is the Karta of Arunkumar Poddar (HUF).
- ii. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that the net worth of

Arunkumar Poddar (HUF) is Rs. 1,17,26,290/- (Rupees One Crore Seventeen Lakh Twenty Six Thousand Two Hundred and Ninety only).

- iii. As on the date of this Letter of Offer, Arunkumar Poddar (HUF) holds 225000 Equity Shares representing 1.12% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- iv. Arunkumar Poddar (HUF) has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.

q. Details of Upton Infrastructure Private Limited (PAC 12):

- i. Upton Infrastructure Private Limited (bearing Corporate Identity Number: U45203MH2007PTC176769) is a Private Limited Company, having its registered office at Shree Shakambhari Corporate Park, Plot No. 156-158, J. B. Nagar, Andheri (East), Mumbai- 400099, Tel no: +91-22 67079999. The Acquirer does not have any subsidiary as on the date of this Letter of Offer.
- ii. Upton Infrastructure Private Limited was incorporated on Thirteenth day of December Two Thousand Seven as "Upton Infrastructure Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai. The main objects of the Acquirer are to lay out, develop, construct, build, erect, demolish, re-erect, alter repair, re-model or do any other work in connection with any building or building scheme, road, highways, docks, sewers, bridges, canals, wells, springs, serials, dams etc.
- iii. The present Authorised Capital of the acquirer is Rs. 1,00,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand Only) equity shares of Rs. 10/- (Rupees Ten only) each. As on the date of this Letter of Offer, the paid-up share capital of the acquirer consists of Rs. 1,00,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand Only) equity shares of Rs. 10/- (Rupees Ten only) each.
- iv. The Acquirer is a Private Limited Company and is not listed on any Stock Exchange.
- v. The Current Promoters of Upton Infrastructure Private Limited are Mr. Anil Patodia and Mrs. Archana Anil Patodia.
- vi. As on the date of this Letter of Offer, Upton Infrastructure Private Limited holds 386527 Equity Shares representing 1.93% of the expanded paid up Equity Share Capital of the Target Company post conversion of warrants made on May 30, 2017.
- vii. The Board of Directors of Acquirer as on the date of this Draft Letter of Offer, comprises of 2 (Two) Directors. The details of the Board of Directors are as below:

S. No.	Name of the Director	Designation	Qualification	Date of Appointment
1.	Mr. Anil Patodia (DIN: 00073993)	Director	Graduate	10/04/2009
2.	Ms. Archana Anil Patodia (DIN: 00795826)	Director	Graduate	06/09/2016

- viii. The Equity Shareholding Pattern of the Acquirer as on the date of this Draft Letter of Offer is as follows:-

Name of the Shareholder	No. of equity shares held	Percentage (in %)
Mr. Anil Patodia	5,000	50.00
Ms. Archana Anil Patodia	5,000	50.00
Total	10,000	100.00

- ix. Neither the Acquirer nor any of its Directors have been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any of the Regulations made under the SEBI Act.
- x. There are no contingent liabilities of Acquirer.
- xi. The financial information of the Acquirer as per the audited accounts for the last three financial years ended March 31, 2016, March 31, 2015 and March 31, 2014 are as follows:

(Figures in Rupees Lakh.)

Profit & Loss Statement	12 Months period ending March 31 (Audited)		
	2016	2015	2014
Income from Operations	0.00	0.00	0.00
Other Income	2.00	12.95	2.00
Total Income	2.00	12.95	2.00
Total Expenditure	0.07	4.78	0.07
Profit before Depreciation, Interest & Tax	1.93	8.17	1.93
Depreciation	0.00	0.00	0.00

Interest	0.00	0.00	0.00
Profit before Tax & Extra Ordinary Items	1.93	8.17	1.93
Extra Ordinary Items	0.00	0.00	0.00
Exceptional Items	0.00	0.00	0.00
Profit Before Tax	1.93	8.17	1.93
Provision for Tax	1.93	0.00	0.00
Profit After Tax	0.003	8.17	1.93

(Figures in Rupees Lakh.)

Balance Sheet Statement	12 Months period ending March 31 (Audited)		
	2016	2015	2014
Sources of Funds			
Paid-up Share Capital	1.00	1.00	1.00
Reserves & Surplus (Excluding Revaluation Reserve)	20.83	20.83	12.65
Reserves set apart for disputed liabilities	0.00	0.00	0.00
Secured Loan	0.00	0.00	0.00
Unsecured Loan	300.00	300.00	482.70
Current Liabilities	0.07	0.00	1.72
Deferred Tax Liability	0.00	0.00	0.00
Total	321.90	321.83	668.48
Uses of Funds			
Net Fixed Assets	0.00	0.00	0.00
Investments- Long Term	316.00	316.00	471.05
Current Assets	5.90	5.83	197.43
Miscellaneous Expenses not written off	0.00	0.00	0.00
Total	321.90	321.83	668.48

Other Financial Data	12 Months period ending March 31		
	2016	2015	2014
Net Worth (in Rs. Lakh)	21.83	21.83	13.65
Dividend (in %)	0.00	0.00	0.00
Earning Per Share (in Rs. per Share)	0.03	81.71	19.34
Return on Net worth (in %)	0.02	37.44	14.16
Book Value (in Rs. per Share)	218.29	218.26	136.54

(Source- as certified by Mr. Sushil Goyal (Membership No. 154193) Partner of M/s ASBS & Co., Chartered Accountants, having office at B-405, Shubham Centre No. 2, Chakala, Andheri (East), Mumbai-400099, Tel. No. 022 65216912, Email Id: asbsca@gmail.com, vide certificate dated May 30, 2017)

r. Other Information about the Acquirers

- i. There is no agreement amongst the Acquirers, PACs and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.
- ii. All the Acquires and PACs are related to each other and belongs to promoter and Promoters Group of the Target Company.

5. BACKGROUND OF CHOICE INTERNATIONAL LIMITED (HEREINAFTER REFERRED TO AS "TARGET" OR "TARGET COMPANY" OR "CIL"):

(The disclosures mentioned under this section has been sourced from information available in Public Domain or provided to the Acquirers by the Target Company)

- 5.1 Choice International Limited, a Company originally incorporated as a Public Limited Company under the Companies Act, 1956 vide Certificate of Incorporation dated March 12, 1993 as Choice Financial Services Limited and obtained Certificate of Commencement of Business on March 30, 1993. Subsequently, the name of Company was changed from Choice Financial Services Limited to Choice International Limited vide fresh certificate of incorporation consequent upon name change dated November 12, 1997.
- 5.2 The Target Company is registered with Reserve Bank of India (hereinafter referred to as "RBI") as a Non Banking Financial Company. Reserve Bank of India has granted registration vide its registration no. 13.00128 dated February 26, 1998 with a condition that the Target Company shall not accept public deposits.
- 5.3 Presently, the registered office of the Target Company is situated at Shree Shakambhari Corporate Park, 156 158, J.B. Nagar, Andheri (E), Mumbai- 400099.
- 5.4 As on date of this Draft Letter of Offer, the Authorized Share Capital of the Target Company is Rs. 20,10,00,000 (Twenty Crore Ten Lakh Only) consisting of 2,01,00,000 (Two Crore One Lakh) Equity Shares of Rs. 10.00 (Rupees Ten Only) each and the Issued,

Subscribed and Paid-up Capital of the Target Company is Rs. 20,00,48,000 (Twenty Crore Forty Eight Thousand Only) consisting of 2,00,04,800 (Two Crore Four Thousand Eight Hundred Only) Equity Shares of face value of Rs.10.00 (Rupees Ten Only) each.

5.5 The share capital structure of the Target Company is as under:

Paid up Equity shares of Target Company	No. of shares/ voting rights	% of shares/ voting rights
Fully Paid up Equity Shares	2,00,04,800	100.00
Partly Paid up Equity Shares	Nil	Nil
Total Paid up Equity Shares	2,00,04,800	100.00
Total voting rights in the Target Company	2,00,04,800	100.00

5.6 The Equity Shares of the Target Company are listed on BSE Limited. Currently only 1,00,04,800 (One Crore Four Thousand Eight Hundred only) Equity Shares of the Target have been listed on BSE and 1,00,00,000 (One Crore Only) Equity Shares are pending for listing. The Target has received "in-principle" approval for issue of warrants on a preferential basis to its Promoters from the BSE vide its letter no. DSC/PREF/AC/PRE/887/2015-16 dated March 31, 2016. The shares of the Target Company are not suspended for trading from of the Stock Exchange. No punitive action has been taken against the Target Company by the Stock Exchange.

5.7 Based on the information available, the Equity Shares of the Target Company are not frequently traded on BSE Limited (within the meaning of definition of "frequently traded shares" under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).

5.8 The Target Company does not have any partly paid Equity Shares. There are no outstanding warrants or options or similar instrument, convertible into Equity Shares at a later stage.

5.9 As on the date of this Draft Letter of Offer, the Board of Directors of the Target Company comprises of 10 (Ten) Directors. The details of the Board of Directors are as below:

Name of Directors	DIN	Designation	Date of Appointment
Kamal Poddar	01518700	Managing Director	23/09/2008
Hemlata Kamal Poddar	02931322	Non - Executive Director	30/01/2010
Ajay Rajendra Kejriwal	03051841	Executive Director	29/05/2010
Raghuvir Shrivastava	01199531	Independent Director	14/07/2016
Debkumar Krishnapada Goswami	02390068	Independent Director	30/05/2011
Lalit Menghnani	06614582	Independent Director	14/07/2016
Laxmi Narain Nathuramka	07535408	Independent Director	14/07/2016
Kanhaiya Lal Berwal	07535424	Independent Director	14/07/2016
Ashok Kumar Thakur	07573726	Independent Director	14/07/2016
Bharat Kumar Hiralal Shah	07393863	Additional (Independent Director)	29/04/2017

Note: Kamal Poddar and Hemlata Kamal Poddar are the Acquirers and PACs. They will not participate in any deliberations of the Board of Directors of Target Company or vote on any matter in relation to the Offer in terms of Reg. 24(4) of the Regulations.

5.10 There has been no merger, de-merger and spin off in the last three years involving the Target Company.

5.11 The financial information of the Target Company as per the audited accounts for the last three financial years ended March 31, 2017, March 31, 2016, March 31, 2015 are as follows:

(Figures in Rupees Lakh.)

Profit & Loss Statement	12 Months period ending March 31 (Audited)		
	2017	2016	2015
Income from Operations	1962.60	7785.52	865.24
Other Income	134.13	0.02	0.35
Total Income	2096.73	7785.54	865.59
Total Expenditure	1237.57	7008.62	162.82
Profit before Depreciation, Interest & Tax	859.16	776.92	702.76
Depreciation	92.51	111.42	114.16
Interest	420.38	463.76	431.18
Profit before Tax & Extra Ordinary Items	346.27	201.75	157.43
Extra Ordinary Items	0	0	0
Profit Before Tax	346.27	201.75	157.43
Provision for Tax	87.49	35.70	14.74
Profit After Tax	258.78	166.04	142.69

Balance Sheet Statement	12 Months period ending March 31 (Audited)		
	2017	2016	2015
Sources of Funds			
Paid-up Share Capital	1000.48	1000.48	1000.48
Money Received Against Share Warrants	1000.00	0	0
Reserves & Surplus (Excluding Revaluation Reserve)	4309.23	4050.46	3984.46
Reserves set apart for disputed liabilities	0	0	0
Secured Loan	4595.90	2461.13	2826.43
Unsecured Loan	254.84	157.84	19.62
Current Liabilities	147.63	589.43	577.47
Deferred Tax Liability	280.80	262.23	244.50
Total	11588.89	8521.57	8652.96
Uses of Funds			
Net Fixed Assets	2377.01	2401.27	2477.50
Non Current Assets, Loans & Advances	102.75	95.86	4576.64
Investments- Non Current	4989.92	4582.92	104.41
Investments- Current	0	0	0
Current Assets, Loan & Advances	4119.22	1441.52	1494.42
Miscellaneous Expenses not written off	0	0	0.00
Total	11588.89	8521.57	8652.96

Other Financial Data	12 Months period ending March 31 (Audited)		
	2017	2016	2015
Net Worth (in Rs. Lakh.)	6309.71	5050.94	4984.94
Dividend (in %)	0	10%	10%
Earning Per Share (in Rs. per Share)	2.59	1.66	1.43
Return on Net worth (in %)	4.10	3.29	2.86
Book Value (in Rs. per Share)	63.07	50.49	49.83

(Source- As certified by Mr. Shyamsunder Gupta (Membership No. 038484), Partner of M/s Gupta Shyam & Company, Chartered Accountants, Statutory Auditors of the Target Company, having Office at 11, Sukhsagar, Akurli X Rd no. 1, Kandivali (E), Mumbai-400101, Ph: +91-22-28870869, Email Id: ca.shyamsundergupta@gmail.com vide certificate dated May 30, 2017)

5.12 As on the date of this Draft Letter of Offer, shareholding in the Target Company before and after the Offer (assuming full acceptances in the Offer) is given in the table below:

Shareholders' Category	Shares / voting rights prior to the Conversion of Convertible Warrants		Convertible Warrants converted into Equity Shares which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a. Parties to agreement, if any	0	0.00	0	0.00	0	0.00	0	0.00
b. Promoters other than (a) above	0	0.00	0	0.00	0	0.00	0	0.00
Total 1 (a+b)	0	0.00	0	0.00	0	0.00	0	0.00
(2) Acquirers and PACs								
a. Acquirers								
Mr. Kamal Poddar	887600	8.87	1612400	8.06	5201248	26.00	14201248	70.99
Mr. Arunkumar Poddar	200000	2.00	1900000	9.50				
Ms. Sonu Poddar	100000	1.00	1150000	5.75				
Ms. Vinita Sunil Patodia	1278927	12.78	296073	1.48				
Ms. Archana Anil Patodia	250000	2.50	1325000	6.62				
Total 2a	2716527	27.15	6283473	31.41	5201248*	26.00*	14201248*	70.99*
b. PACs								
Mr. Sunil Kumar Patodia	300000	3.00	800000	4.00	0	0.00	1100000	5.50
Sunil Chothmal Patodia (HUF)	270000	2.70	30000	0.15	0	0.00	300000	1.50
Mr. Anil Chothmal Patodia	250000	2.50	850000	4.25	0	0.00	1100000	5.50
Anil Chothmal Patodia (HUF)	225000	2.25	75000	0.37	0	0.00	300000	1.50
Mr. Suyash Sunil Patodia	100000	1.00	200000	1.00	0	0.00	300000	1.50
Ms. Shreya Patodia	100000	1.00	200000	1.00	0	0.00	300000	1.50
Mr. Aayush Anil Patodia	-	-	300000	1.50	0	0.00	300000	1.50

Shareholders' Category	Shares / voting rights prior to the Conversion of Convertible Warrants		Convertible Warrants converted into Equity Shares which triggered off the Regulations		Shares/voting rights to be acquired in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
Ms. Aastha Anil Patodia	-	-	300000	1.50	0	0.00	300000	1.50
Ms. Hemlata Kamal Poddar	200000	2.00	650000	3.25	0	0.00	850000	4.25
Kamal Poddar (HUF)	225000	2.25	-	-	0	0.00	225000	1.12
Arunkumar Poddar (HUF)	100000	1.00	125000	0.62	0	0.00	225000	1.12
Upton Infrastructure Private Limited	200000	2.00	186527	0.93	0	0.00	386527	1.93
Total 2b	1970000	19.70	3716527	18.58	0	0.00	5686527	28.43
Total 2(a+b)	4686527	46.84	10000000	49.99	5201248*	26.00*	19887775	99.42
(3) Parties to agreement other than (1)& (2)	0	0.00	0	0.00	0	0.00	0	0.00
Total 3	0	0.00	0	0.00	0	0.00	0	0.00
(4) Public (other than parties to agreement, Acquirers & PAC)								
a) Individuals	2067491	20.67	0	0.00	(5201248)	26.00	117025	0.58
b) Any Others	3250782	32.49	0	0.00				
Total (4) (a + b)	5318273	53.16	0	0.00	(5201248)	26.00	117025	0.58
Total No. of Shareholders in Public category (except the Acquirers and PACs)	2131							
GRAND TOTAL (1+2+3+4)	10004800	100.00%	10000000	49.99	0	0.00	20004800	100.00%

* The number of Equity Shares to be acquired by Acquirer 1, Acquirer 2, Acquirer 3, Acquirer 4 and Acquirer 5, will be decided post completion of the Open Offer.

Notes:

- 1) All percentages in Column A are calculated on the Pre Conversion Paid up Shares Capital of the Target Company i.e 1,00,04,800 Equity Shares.
- 2) All percentages in Column B, C and D are calculated on the Post Conversion Paid up Shares Capital of the Target Company i.e 2,00,04,800 Equity Shares.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of offer price

6.1.1 This Open Offer is pursuant to Direct Acquisition.

6.1.2 The Equity Shares of the Target Company are listed on BSE Limited. Currently only 1,00,04,800 (One Crore Four Thousand Eight Hundred only) Equity Shares of the Target have been listed on BSE and 1,00,00,000 (One Crore Only) Equity Shares are pending for listing. The Target has received "in-principle" approval for issue of warrants on a preferential basis to its Promoters from the BSE vide its letter no. DSC/PREF/AC/PRE/887/2015-16 dated March 31, 2016.

6.1.3 The total trading turnover in the Equity Shares of the Target Company on the Stock Exchange based on trading volume during the twelve calendar months prior to the month of Public Announcement (i.e., from May 01, 2016 to April 30, 2017) is as under:

Name of the Stock Exchange	Total No. of Equity Shares traded during the Twelve months prior to the month of PA	Total No. of Equity Shares listed	Total Trading Turnover (as % of total Equity Shares listed)
BSE	800753	10004800	8.00

6.1.4 Based on the above information, Equity Shares of Target Company are not frequently traded on the Stock Exchange within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The Offer Price of Rs. 63.00/- (Rupees Sixty Three only) per Equity Share is justified in terms of Regulation 8(2) of the Takeover Regulations as it is higher of the following:

1	Highest Negotiated Price per equity share for any acquisition under the Agreement attracting the obligation to make the Public Announcement i.e Conversion of Warrants on May 30, 2017	Rs. 40.00 per share
2	The volume-weighted average price paid or payable for acquisition by the Acquirers or by PACs during 52 weeks immediately preceding the date of PA	Nil
3	Highest price paid or payable for acquisitions by the Acquirers or by PACs during 26 weeks immediately preceding the date of PA	Nil
4	The Volume-Weighted Average Market Price of shares for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the	Not Applicable, as the equity shares are not

	maximum volume of trading in the shares of the Target Company are recorded during such period, provided such shares are frequently traded	frequently traded
5	Fair Value of Equity Share of Target Company, as certified by Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, vide certificate dated May 30, 2017	Rs. 62.38 per Share
6	The Offer Price per Equity Share given by the Acquirers for acquisition of Open Offer Shares in cash	Rs. 63.00 per Share

- 6.1.5 In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 63/- per Equity Share as mentioned above is justified in terms of Regulation 8 of the SEBI (SAST) Regulations..
- 6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters. The Offer Price is subject to adjustment in accordance with Regulation 8(9) of the Takeover Regulations if any corporate actions fall prior to three working days before commencement of the Tendering Period.
- 6.1.7 The Acquirers and the PACs shall disclose during the offer period, every acquisition made by them of any equity shares of the Target Company, to the Stock Exchange and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6).
- 6.1.8 If the Acquirers and the PACs acquires Equity Shares during the period of twenty six weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in this Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchange, not being negotiated acquisition of Equity Shares in any form
- 6.1.9 There has been no revision in the Offer Price or to the size of this Offer as on the date of this Draft Letter of Offer.
- 6.1.10 An upward revision to the Offer Price or to the Offer Size, if any, on account of future purchases/ competing Offer or otherwise, may be done at any time prior to the commencement of the last 3 working days before the date of commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers and the PACs shall (i) make further deposit into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform BSE, SEBI and the Target Company at its Registered Office of such revision.
- 6.1.11 In case the Acquirers and the PACs acquire or agree to acquire any 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. However, the Acquirers and the PACs shall not acquire any equity shares of the Target Company after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.
- 6.2 Financial Arrangements:**
- 6.2.1 The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of upto 52,01,248 (Fifty Two Lakhs One Thousand Two Hundred and Forty Eight) Equity Shares at a price of Rs. 63/- (Rupee Sixty Three only) per Equity Share is Rs. 32,76,78,624/- (Rupees Thirty Two Crore Seventy Six Lakh Seventy Eight Thousand Six Hundred and Twenty Four only). ("Maximum Consideration").
- 6.2.2 The Acquirers have adequate financial resources and have made firm financial arrangements for the implementation of the Offer in full, out of their own sources/networth and no borrowings from any Bank and/or Financial Institutions are envisaged. Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, having office at A-8, Narayan Plaza, 26/A, Chandivali Road, Off Saki Vihar Road, Andheri (East), Mumbai- 400072, Mobile No.: +91 9167569898, Email Id: rrbajajassociates@gmail.com, has certified, vide certificate dated May 30, 2017 that sufficient resources are available with the Acquirers for fulfilling the obligations under this Offer in full.
- 6.2.3 In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an Escrow Account in the name and style of "CHOICE-OPEN OFFER-ESCROW ACCOUNT" bearing number 000405115020, with ICICI Bank Limited, Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai- 400020 (hereinafter referred to as the "Escrow Banker") and deposited therein an amount of Rs. 8,20,00,000/- (Rupees Eight Crore and Twenty Lakh only), in cash, being more than 25% of the Maximum Consideration payable under the Offer.
- 6.2.4 The Manager to the Offer is authorized to operate the above mentioned Escrow Account and has been duly empowered to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

6.2.5 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations. Further, the Manager to the Offer confirms that firm arrangement for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions

7.1.1 The Offer is not conditional and is not subject to minimum level of acceptances.

7.1.2 Letter of Offer will be dispatched to all the Equity Shareholders of Target Company, whose names appear in its Register of Members on Friday, July 07, 2017, the Identified Date, except the Acquirers and PACs.

7.1.3 The Offer is subject to the terms and conditions set out in the 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 Letter of Offer alongwith 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 said 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 Letter of Offer. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

7.1.6 Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non-receipt of the 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 along with the equity shares tendered under the Offer.

7.2 **Locked in shares:** To the best of our knowledge, as on the date of this Draft Letter of Offer, there are no locked in shares in the Target Company. However, the Equity Shares allotted on conversion of warrants will attract lock-in as per the SEBI (ICDR) Regulations, 2009.

7.3 Persons eligible to participate in the Offer

All owner (registered or unregistered) of Equity Shares of the Target Company (except Acquirers and PACs of the Target Company) are eligible to participate in the offer anytime before the closure of the Offer.

7.4 Statutory approvals and other approvals required for the offer

7.4.1 To the best of knowledge and belief of the Acquirers, as on date of this DLOO, to the best of the knowledge of the Acquirers and the PACs, there are no statutory or other approvals which are required to implement this Offer except the Target Company being a Non-Banking Finance Company ('NBFC') registered with RBI and prior permission of the RBI shall be required for any change in the shareholding of an NBFC, including progressive increases over time, which would result in acquisition/ transfer of shareholding of 26 per cent or more of the paid up equity capital of the NBFC in terms of RBI Circular No. DNBR (PD) CC. No. 065/03.10.001/2015-16 dated July 09, 2015 ("**RBI Approval**"). The Target Company being an NBFC registered with RBI, the acquisition of shares of the Target Company is subject to the RBI approval. Since the Acquirers and PACs are the existing promoter and promoter group of the Target Company, they are approaching RBI for seeking their approval for increase their stake in the Target Company. Further, in case of any regulatory or statutory or other approvals being required at a later date before the closure of the Tendering Period, the Offer shall be subject to all such approvals and the Acquirers and the PACs shall make the necessary applications for such approvals.

7.4.2 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 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, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Equity Shares tendered in this Offer.

7.4.3 Subject to the receipt of statutory and other approvals, if any, the Acquirers and the PACs shall complete all requirements relating to this Offer including payment to the shareholders who have accepted the Open Offer within 10 working days from the date of Closure of the Tendering Period.

7.4.4 In case of delay / non-receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers and the PACs to diligently pursue such approvals, grant extension of time for the purpose of making the payments, subject to the Acquirers and the PACs agreeing to pay interest to the Equity Shareholders as directed by SEBI, in terms of regulation 18(11) of the SEBI (SAST) Regulations. However, where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers and the PACs have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1 The Open Offer will be implemented by the Acquirers 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.

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 M/s. Progressive Share Brokers Private Limited ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

8.5 The Contact details of the Buying Broker are as mentioned below:

Name: Progressive Share Brokers Private Limited
Address: 122-124, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053
Contact Person: Mr. Anil Gaggar;
Phone: 022-3063 7500;
Email ID: anil@progressiveshares.com

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 Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).

8.9 Procedure for tendering Equity Shares held in dematerialised Form:

- a. The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their broker indicating to their broker the details of Equity Shares they intend to tender in Open Offer.
- b. The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
- c. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d. The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- e. Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the exchange bidding system to the Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered etc.
- f. The Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The resident Shareholders (i.e. Shareholders residing in India) holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

All non-resident Shareholders (i.e. Shareholders not residing in India) holding physical and/or demat Equity Shares and all resident Shareholders (i.e. Shareholders residing in India) holding Equity Shares in physical mode are mandatorily required

to fill the Form of Acceptance-Cum-Acknowledgement. The non-resident Shareholders holding Equity Shares in demat mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to the Registrar to the Offer at their address given on the cover page of this DLOF. The Shareholders (resident and non-resident) holding Equity Shares in physical mode are required to send the Form of Acceptance-Cum-Acknowledgement along with the required documents to their respective Selling Broker who shall forward these documents to the Registrar to the Offer.

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

8.10.1 Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including:

- a. The Form of Acceptance-cum-Acknowledgement duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares
- b. Original share certificates
- c. 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 authorizing the transfer in favor of the Acquirer
- d. Self-attested copy of the Shareholder's PAN Card;
- e. Any other relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the Equity Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement
 - Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased
 - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies

8.10.2 In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, voter identity card or passport.

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

8.10.4 After placement of order, as mentioned in paragraph 8.10.3, the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 8.10.1 (i) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as "**Choice International Limited- Open Offer**". One copy of the TRS along with supporting documents will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.

8.10.5 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 Equity Shares by the Acquirer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the stock exchanges shall display such orders as unconfirmed physical bids "Once, Registrar to the Offer confirms the orders it will be treated as Confirmed Bids".

8.10.6 In case any person has submitted Equity Shares in physical form for dematerialisation, such Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date.

8.11 Modification / cancellation of orders will not be allowed during the period the Offer is open.

The cumulative quantity tendered shall be made available on the website of the Stock Exchanges throughout the trading session and will be updated at specific intervals during the Tendering Period.

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

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

8.13 Non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any shareholder, shall not invalidate the Offer in any way.

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

8.15 **Acceptance of Equity Shares**

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

8.16 **Settlement Process**

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

8.16.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation.

8.16.3 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.

8.16.4 In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released directly to the Public Shareholders.

8.16.5 The Seller Broker(s) would then issue contract note for the shares accepted in the Offer.

8.16.6 Any excess physical shares, to the extent tendered but not accepted, will be returned back to the Public Shareholder(s).

8.17 **Settlement of Funds / Payment Consideration**

8.17.1 The settlement of fund obligation for demat and physical shares shall be effected directly by the Clearing Corporation.

8.17.2 The payment will be made by the Buying Broker for settlement. For Equity Shares accepted under the Offer, the Public Shareholder will receive funds payout in their settlement bank account.

8.17.3 The funds received from Buyer Broker by the Clearing Corporation will be released directly, to Public Shareholder.

8.17.4 Public 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) that may be levied by the Seller Broker upon the Public Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Acquirers accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholder.

8.17.5 In light of the Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 issued by SEBI, the procedure for acceptance and settlement of the Offer may be revised in accordance with the directions / instructions issued by the Stock Exchange.

8.18 **COMPLIANCE WITH TAX REQUIREMENTS:**

Capital gain: 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 securities transaction tax ("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 and STT.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH THE ON-MARKET TENDER OFFER ROUTE 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.

8.19 Tax deduction at source:

8.19.1 In case of resident Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirers shall not deduct tax on the consideration payable to resident Shareholders pursuant to the Offer.

8.19.2 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 that the non-resident Shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.

8.20 Interest payment, if any: In case of interest payments by the Acquirers for delay in payment of Offer consideration or a part thereof, the Acquirers will deduct taxes at source at the applicable rates as per the Income Tax Act.

8.21 If the resident and non-resident Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.

For Resident Shareholders

- Self-attested copy of PAN card
- Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (Certificate for Deduction of Tax at Lower Rate)
- For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any).

For Non-Resident Shareholders

- Self-attested copy of PAN card
- Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (Certificate for Deduction of Tax at Lower Rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest)
- Tax Residency Certificate and a no 'permanent establishment'/business connection declaration

In an event of non-submission of NOC or Certificate for Deduction of Tax at Nil/Lower Rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category to which the Shareholder belongs, by the Acquirer.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

8.22 Issue of tax deduction at source certificate

The Acquirers will issue a certificate in the prescribed form to the Equity Shareholders (resident and non- resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars.

The Acquirers and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

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 160 (Basement), Vinoba Puri, Lajpat Nagar –II, New Delhi- 110024 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.

- a) Certificate of incorporation, Memorandum and Articles of Association of the Upton Infrastructure Private Limited.
- b) Certificate dated May 30, 2017 issued by Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, certifying the net worth of Mr. Kamal Poddar, Mr. Arunkumar Poddar, Ms. Sonu Poddar, Ms. Vinita Sunil Patodia, Ms. Archana Anil Patodia, Mr. Sunil Kumar Patodia, Sunil Chothmal Patodia (HUF), Mr. Anil Chothmal Patodia, Anil Chothmal Patodia (HUF), Mr. Suyash Sunil Patodia, Ms. Shreya Patodia, Mr. Aayush Anil Patodia, Ms. Aastha Anil Patodia, Ms. Hemlata Kamal Poddar, Kamal Poddar (HUF) and Arunkumar Poddar (HUF).
- c) Certificate dated May 30, 2017 issued by Mr. Sushil Goyal (Membership No. 154193) Partner of M/s ASBS & Co., Chartered Accountants, certifying the financial data of Upton Infrastructure Private Limited for the Audited financials for the years ended March 31, 2016, 2015 and 2014.
- d) Audited Annual Reports of Upton Infrastructure Private Limited for the years ended March 31, 2016, 2015, 2014.

- e) Certificate dated May 30, 2017 issued by Mr. Ajay Kumar Agarwal (Membership No. 426910) Partner of M/s R. R. Bajaj & Associates, Chartered Accountants, confirming that the Acquirers have adequate financial resources available for meeting their obligations under the Open Offer.
- f) Certificate dated May 30, 2017 issued by Mr. Shyam Sunder Gupta (Membership No. 038484), Partner of M/s Gupta Shyam & Company, Chartered Accountants, Statutory Auditors of the Target Company, certifying the financial data of Choice International Limited for the Audited financials for the years ended March 31, 2017, 2016 and 2015.
- g) Audited Annual Reports of the Target Company for the years ended March 31, 2016, 2015, 2014.
- h) Copy of Escrow Agreement entered between Mr. Kamal Poddar, Mr. Arunkumar Poddar, Ms. Sonu Poddar, Ms. Vinita Sunil Patodia, Ms. Archana Anil Patodia (collectively referred to as the "Acquirers"), Corporate CapitalVentures Private Limited (the "Manager to the Offer") and ICICI Bank Limited ("Escrow Bank").
- i) Letter from ICICI Bank Limited confirming the cash deposit of Rs. 8,20,00,000/- (Rupees Eight Crore Twenty Lakh) in the Escrow Account with a lien marked in favour of the Manager to the Offer.
- j) Copy of Agreement between the Acquirers and the Registrar to the Offer for the purpose of the Offer.
- k) Copy of Memorandum of Understanding dated May 30, 2017 between the Acquirers and Manager to the Offer.
- l) Copy of the PA, the published copy of DPS, and corrigendum if any.
- m) Published Copy of the Offer Opening Public Announcement published by the Manager to the Offer on behalf of the Acquirers.
- n) Published Copy of the recommendation made by the Committee of the Independent Directors of the Target Company.
- o) Copy of the letter from SEBI dated [●] containing its comments on the Draft Letter of Offer.

10. DECLARATION BY THE ACQUIRERS ALONG WITH PACS

The Acquirers along with PACs jointly and severally, accept full responsibility for the information contained in this Draft Letter of Offer, including the Form of Acceptance cum Acknowledgement and also for ensuring the compliance with the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereto.

The Acquirers along with PACs having made all reasonable inquiries, jointly and severally accept full responsibility and confirm that this Draft Letter of Offer is in compliance with the SEBI (SAST) Regulations, and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Draft Letter of Offer 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.

For and on behalf of the Acquirers and PACs

MR. KAMAL PODDAR, MR. ARUNKUMAR PODDAR, MS. SONU PODDAR, MS. VINITA SUNIL PATODIA, MS. ARCHANA ANIL PATODIA, MR. SUNIL KUMAR PATODIA, SUNIL CHOTHMAL PATODIA (HUF), MR. ANIL CHOTHMAL PATODIA, ANIL CHOTHMAL PATODIA (HUF), MR. SUYASH SUNIL PATODIA, MS. SHREYA PATODIA, MR. AAYUSH ANIL PATODIA, MS. AASTHA ANIL PATODIA, MS. HEMLATA KAMAL PODDAR, KAMAL PODDAR (HUF), ARUNKUMAR PODDAR (HUF) AND UPTON INFRASTRUCTURE PRIVATE LIMITED.

Place: New Delhi

Date: June 09, 2017