

DRAFT LETTER OF OFFER**'THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION'**

This Draft Letter of Offer is being sent to you as the Public Shareholder of PH TRADING LIMITED. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or the Registrar. In case you have recently sold your Equity Shares, please hand over this Draft Letter of Offer and the accompanying form of acceptance-cum-acknowledgement to the member of the stock exchange through whom the said sale was effected.

OPEN OFFER**BY**

Name	Acquirers	Address	Contact Details	Email Address
Vanama Naveen Kumar	Acquirer 1	54-1-73/2A Uma Maheswara Nilayam Vijayalaxmi Colony Bharathi Nagar Main Raod End Vijayawada (Urban) Krishna Andhra Pradesh - 520007	+91 9533249533	naveenkumar.vanama@gmail.com
Vanama Sudhakar	Acquirer 2	Keswarao 2-33 Chanubanda Main Road Chatrai Mandalam Chanubanda Krishna Andhra Pradesh - 521214	+91 9177888779	sudhakar.vanama779@gmail.com

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF**PH TRADING LIMITED**

Corporate Identification Number: L51109WB1982PLC035011;

Registered Office: Poddar Point, 113 Park Street, Block B, 10th Floor, Kolkata, West Bengal 700016



Contact Number: +033-22299697 / 22299538 / 40675050 / 22268993; **Website:** www.phtradinglimited.com; **Email:** himatsingka@hotmail.com

for acquisition of upto 1,24,800 (One Lakh Twenty Four Thousand and Eight Hundred) fully paid up equity shares of face value of Rs. 10/- each ("Equity Shares") representing 26.00% (Twenty-Six Percent) of the equity and voting share capital of PH TRADING LIMITED ("Target Company" or 'PHTRADING') at an offer price of ₹ 50.00 (Rupees fifty Only) per equity share, by Mr. Vanama Naveen Kumar ("Acquirer 1") and Mr. Vanama Sudhakar ("Acquirer 2") (hereinafter collectively referred to as 'Acquirers'), pursuant to and in compliance with the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 as amended ('SEBI (SAST) Regulations') ('Offer').

Please Note:

- This Offer (as defined below) is being made by the Acquirers, in pursuance of the provisions of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, for substantial acquisition of Equity Shares and Voting Share Capital accompanied with change in control and management of the Target Company.
- As on the date of this Draft Letter of Offer, to the best knowledge of the Acquirers, there are no statutory approval(s) required to acquire Equity Shares that are validly tendered pursuant to this Offer. However, the Offer would be subject to all statutory approval(s) as may be required and/or may subsequently become necessary to acquire at any later date.
- If there is any upward revision in the Offer Price and/ or the Offer Size at any time up to 1 (One) Working Day prior to commencement of the Tendering Period *i.e.*, Friday, December 15, 2023, in terms of the SEBI (SAST) Regulations, the same would also be informed by way of a public announcement in the same newspapers where the original Detailed Public Statement had appeared. If the Offer is withdrawn pursuant to Regulation 23 of the SEBI (SAST) Regulations, the same would be communicated within 2 (Two) Working Days by an announcement in the same newspapers in which the Detailed Public Statement had appeared.
- There has been no competing offer as on the date of this Draft Letter of Offer.**
- If there is a competitive offer, then the Offer under all subsisting bids shall open and close on the same date.**
- This Offer is not subject to a minimum level of acceptance by the Public Shareholders of the Target Company and is not a conditional offer under Regulation 19 of the SEBI (SAST) Regulations, 2011.
- Public Shareholders, who have accepted this Offer by tendering the requisite documents in terms of the Offer Documents, shall not be entitled to withdraw such acceptance during the Tendering Period.
- The procedure for acceptance is set out in Paragraph 8 titled as 'Procedure for Acceptance and Settlement of the Offer' Page 24 of this Draft Letter of Offer.
- A copy of Public Announcement ("PA"), Detailed Public Statement ("DPS"), Draft Letter of Offer ("DLOO") and Letter of Offer ("LOO") (including Form of Acceptance cum Acknowledgement) is also available on the website of SEBI at www.sebi.gov.in.

For capitalized terms, refer to the Paragraph titled 'Definitions and Abbreviations' beginning on page 7 of this Draft Letter of Offer.

 <p>Bonanza make money. not mistakes.</p> <p>MANAGER TO THE OFFER BONANZA PORTFOLIO LIMITED Corporate Identification Number: U65991DL1993PLC052280 Bonanza House, Plot No. M-2, Cama Industrial Estate, Walbhat Road, Behind The Hub, Goregaon (East), Mumbai - 400 063 Contact Person: Ms. Swati Agrawal Tel No.: +91 22 62735500/ 68363700 Email: swati.agrawal@bonanzaonline.com Website: www.bonanzaonline.com SEBI Registration No.: INM000012306 Validity: Permanent</p>	 <p>REGISTRAR TO THE OFFER PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED CIN: U67120MH1993PTC074079 Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East) Mumbai - 400011, Maharashtra Tel No.: +91 22 31998810/ 49614132 Email: support@purvashare.com Website: www.purvashare.com Contact Person: Ms. Deepali Dhuri SEBI Registration Number: INR000001112 Validity: Permanent</p>
OFFER OPENING DATE	OFFER CLOSING DATE
Monday, December 18, 2023	Monday, January 01, 2024

TENTATIVE SCHEDULE OF THE MAJOR ACTIVITIES RELATING TO THIS OFFER

Sr. No	Tentative Schedule of Activities	Day	Date
1.	Date of the Public Announcement	Monday	October 23, 2023
2.	Date of publication of the Detailed Public Statement in the newspapers	Tuesday	October 31, 2023
3.	Last date of filing of the Draft Letter of Offer with SEBI	Tuesday	November 07, 2023
4.	Last date for public announcement for a Competing Offer#	Wednesday	November 22, 2023
5.	Last date by which SEBI's observations on the Draft Letter of Offer will be received (in the event SEBI has not sought clarification or additional information from the Manager)	Thursday	November 30, 2023
6.	Identified Date*	Monday	December 04, 2023
7.	Last date for dispatch of the Letter of Offer to the Public Shareholders	Monday	December 11, 2023
8.	Last date for publication of the recommendations of the committee of the independent directors of the Target Company to the Public Shareholders for this Offer in the Newspapers	Thursday	December 14, 2023
9.	Last date for upward revision of the Offer Price and / or the Offer Size	Friday	December 15, 2023
10.	Date of publication of opening of Offer public announcement in the newspapers in which the Detailed Public Statement had been published	Friday	December 15, 2023
11.	Date of commencement of Tendering Period	Monday	December 18, 2023
12.	Date of closing of Tendering Period	Monday	January 01, 2024
13	Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	Monday	January 15, 2024

() Date falling on the 10th working day prior to the commencement of the tendering period, for the purposes of determining the public shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company, are eligible to participate in this Offer any time during the tendering period of the Offer.*

RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION, THE PROPOSED OFFER, AND PROBABLE RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRERS

The risk factors set forth above pertaining to this Offer, are not in relation to the present or future business or operations of the PH TRADING 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 Public Shareholder in this Offer. Public Shareholders of the PH TRADING are advised to consult their stockbrokers or investment consultants, if any, for further risk with respect to their participation in this Offer. Each Public Shareholder of the PH TRADING is hereby advised to consult with their legal, financial, tax, investment, or other advisors and consultants of their choice, if any, for further risks with respect to each such Public Shareholder's participation in this Offer and related transfer of Equity Shares to the Acquirers.

For capitalized terms used hereinafter, please refer to the '*Definitions*' set out below:

A. Risks relating to Underlying Transaction

1. The Underlying Transaction is subject to various conditions as specified under the Share Purchase Agreement, including:
 - (a) Receipt of all statutory approvals as set out in Paragraph 7.4 titled as '*Statutory Approvals and conditions of the Offer*' at page 23 of this Draft Letter of Offer and those which become applicable prior to the completion of this Offer;
 - (b) The satisfaction or waiver of the various conditions under the Share Purchase Agreement, including those conditions set out in paragraph 3.1.10 at page 10 of this Draft Letter of Offer, and if these conditions are not satisfied or waived and subsequently terminated in accordance with the terms of the Share Purchase Agreement, then the Underlying Transaction may be terminated.
2. The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

B. Risks relating to this Offer

1. The Open Offer is made under the SEBI (SAST) Regulations to acquire up to 1,24,800 Equity Shares representing 26.00% of the equity and voting capital, from the Public Shareholders of the Target Company. If the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the Offer Size, then the Equity Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 1,24,800 Equity Shares. Accordingly, there is no assurance that all Equity Shares tendered by the Public Shareholders in the Open Offer will be accepted.
2. To the best of the knowledge of the Acquirers, as on the date of this DLOF, there are no statutory or other approvals required for the acquisition of the Equity Shares that are validly tendered pursuant to the Open Offer or to complete this Open Offer other than as indicated in paragraph 7.4 of this DLOF. However, in case any other statutory approvals become applicable and are required by the Acquirers at a later date before the closure of the Offer Period, this Open Offer shall be subject to receipt of such further approvals. If there is a delay in receipt of any applicable statutory or other approvals then the Open Offer process may be delayed beyond the dates indicated in the tentative schedule of major activities of the Open Offer disclosed in this DLOF (on page number 2). In case Equity Shares are tendered in the Open Offer and a delay is caused due to delay in receipt of any applicable statutory or other approvals, the payment of consideration to Public Shareholders whose Equity Shares have been accepted under the Open Offer as well as release of the lien marked against the Equity Shares not accepted by the Acquirers may be delayed.
3. Where the required statutory or other approvals apply to some but not all of the Public Shareholders, the Acquirers will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
4. In case of delay/non-receipt of any statutory or other approvals referred to in paragraph 7.4 of this DLOF, SEBI may, if satisfied that non-receipt of the requisite approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirers to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulation 18(11) or Regulation 18(11A) of the SEBI (SAST) Regulations.
5. In terms of Regulation 23 of the SEBI (SAST) Regulations, in the event that, for reasons outside the reasonable control of the Acquirers, the approvals specified in paragraph 7.4 of this DLOF or those which become applicable prior to completion of the Open Offer are not received or any of the conditions precedent under the SPA as specified in paragraph

3.1.10 of this DLOF are not met, then the Acquirers shall have the right to withdraw the Open Offer. In the event of such a withdrawal of the Open Offer, the Acquirers (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

6. Equity Shares once tendered in the Open Offer cannot be withdrawn by the Public Shareholders, even in the event of a delay in the acceptance of Equity Shares under the Open Offer and/or the payment of consideration. A lien shall be marked against the Equity Shares tendered in the Offer by the Public Shareholders until the completion of the formalities of this Offer and the Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares during such period, even if the acceptance of the Equity Shares in this Offer and/ or payment of consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer. Neither the Acquirers nor the Manager to the Offer make any assurance with respect to the market price of the Equity Shares and disclaim any responsibility with respect to any decision by any Public Shareholder on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding participation in this Open Offer.
7. NRIs, OCBs and other non-resident holders of the Equity Shares, if any, must obtain all requisite approvals/exemptions required, including without limitation, the approval from the RBI, if any, to tender the Equity Shares held by them in this Offer and submit such approvals/exemptions along with the documents required to accept this Offer. Further, if the Public Shareholders who are not persons resident in India (including NRIs, OCBs, FIIs and FPIs) had required any approvals (including from the RBI or any other regulatory authority/body) at the time of the original investment in respect of the Equity Shares held by them currently, they will be required to submit copies of such previous approvals that they would have obtained for acquiring/holding the Equity Shares, along with the other documents required to be tendered to accept this Offer. If the aforementioned documents are not submitted, the Acquirers reserves the right to reject such Equity Shares tendered in this Offer.
8. In terms of circular issued by SEBI bearing reference number SEBI/ HO/ CFD/ CMD1/ CIR/ P/ 2020/ 144 dated July 31, 2020, Public Shareholders holding Equity Shares in physical form are allowed to tender their Equity Shares in the Open Offer. However, the acceptance of the Equity Shares in physical form tendered in this Open Offer would be conditional on the Public Shareholders holding the physical Equity Shares and wishing to tender the same in the Open Offer, following the process laid out in more detail in this DLOF, diligently and submitting all the required documents for the purpose of ensuring that their physical Equity Shares can be verified and confirmed by the Registrar to the Offer.
9. The information contained in this DLOF is as of the date of this DLOF unless expressly stated otherwise. The Acquirers 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.
10. Public Shareholders are advised to consult their respective stockbrokers, legal, financial, investment or other advisors and consultants of their choice, if any, for assessing further risks with respect to their participation in this Open Offer, and related transfer of Equity Shares to the Acquirers. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Open Offer, or in respect of any other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this DLOF.
11. In the event that either: (a) there is any injunction or stay on this Open Offer or any litigation that restricts or restrains the Acquirers from performing any of their obligations hereunder; or (b) SEBI instructs the Acquirers to suspend this Open Offer, then this Open Offer process may be delayed beyond the dates indicated in the tentative schedule of major activities of the Open Offer disclosed in this DLOF (on page number 2). In the event of any delay in proceeding with this Open Offer, the payment of consideration to the Public Shareholders whose Equity Shares are accepted in this Open Offer as well as the release of the lien marked on the Equity Shares not accepted in this Open Offer, may be delayed. In the event SEBI instructs the Acquirers to not proceed with this Open Offer, then this Open Offer process shall be withdrawn and the Acquirers (through the Manager to the Offer) shall make an announcement of such withdrawal within 2 (two) Working Days of such withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
12. In relation to the Open Offer, the Acquirers and the Manager to the Offer accept responsibility only for statements made by them in the PA, DPS, DLOF, LOF or in the post Open Offer advertisement or any corrigendum, addendum or any materials issued by or on behalf of the Acquirers, or the Manager to the Offer in relation to the Open Offer (other than (a) information pertaining to the Target Company which has been obtained from publicly available sources or provided by the Target Company; and (b) information pertaining to the Seller and the Current Promoter and Promoter Group which has been obtained from the Seller and the Current Promoter and Promoter Group, respectively). Anyone placing reliance on any sources of information (other than as mentioned in this paragraph) would be doing so at his/her/its own risk.

13. None of the Acquirers, the Manager or the Registrar to the Offer accept any responsibility for any loss of documents during transit (including but not limited to Offer acceptance forms, copies of delivery instruction slips, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
14. No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The LOF shall be sent to all Public Shareholders whose names appear on the register of members of the Target Company, at their stated address, as of the Identified Date, subject to Regulation 18(2) of the SEBI (SAST) Regulations, viz. provided that where local laws or regulations of any jurisdiction outside India may expose the Acquirers, the Manager to the Offer or the Target Company to material risk of civil, regulatory or criminal liabilities in the event the LOF in its final form were to be sent without material amendments or modifications into such jurisdiction, and the Public Shareholders resident in such jurisdiction hold Equity Shares entitling them to less than 5% of the voting rights of the Target Company, the Acquirers may refrain from sending the LOF into such jurisdiction: provided further that, subject to applicable law, every person holding Equity Shares, regardless of whether he, she or it held Equity Shares on the Identified Date or has not received the LOF, shall be entitled to tender such Equity Shares in acceptance of the Offer.
15. This DLOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of the LOF 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 or the Manager to the Offer to any new or additional registration requirements. This DLOF does not in any way constitute an offer to purchase or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

C. Risks involved in associating with the Acquirers.

1. The Acquirers intends to acquire up to 1,24,800 (One Lakh Twenty Four Thousand Eight Hundred) Equity Shares, representing 26.00% of the Equity and Voting Share Capital of the Target Company, at an offer price of Rs. 50.00 (Rupees Fifty Only) per Equity Share, payable in cash, under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer. The Equity Shares and the documents tendered in this Offer will be held in trust by the Registrar until the completion of this Offer formalities, and the Public Shareholders will not be able to trade in such Equity Shares thereafter. Post this Offer, the Acquirers will have significant equity ownership and effective management control over the Target Company, pursuant to the provisions of Regulations 3 (1) and 4 of the SEBI (SAST) Regulations.
2. The Acquirers, and the Manager makes no assurance with respect to the market price of the Equity Shares during the Offer Period and upon the completion of this Offer and disclaim any responsibilities with respect to any decision by the Public Shareholders on whether to participate in this Offer. The Acquirers and the Manager make no assurance with respect to the financial performance of the Target Company.
3. The Acquirers, and the Manager to the Offer, accept no responsibility for the statements made otherwise than in the Offer Documents or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
4. The Acquirers make no assurance with respect to its investment/disinvestment decisions relating to its proposed shareholding in the Target Company.
5. For the purpose of disclosures in the Draft Letter of Offer, all information relating to the:
 - (a) Target Company has been obtained from publicly available sources or from the Target Company;
 - (b) Promoter Seller has been obtained from them. The accuracy of such details of the Target Company and the Promoter Seller have not been independently verified by the Acquirers and the Manager to the Offer.

CURRENCY OF PRESENTATION

1. In this Draft Letter of Offer, all references to '₹', 'Rs.', 'Rupees', 'Re', 'Rupee' are references to the official currency of India.
2. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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1. DEFINITIONS AND ABBREVIATIONS

Abbreviations	Particulars
Acquirers	Mr. Vanama Naveen Kumar and Mr. Vanama Sudhakar
Board	Board of Directors of the Target Company
Book Value per Equity Share	[Equity Capital + Free Reserve (excluding Revaluation Reserve) - Debit balance in Profit & Loss A/c – Misc expenditure not written off] / No. of Equity Shares
BSE	BSE Limited
Buying Broker	Nikunj Stock Brokers Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Clearing Corporation	Indian Clearing Corporation Limited
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made thereunder
Depositories	CDSL and NSDL
DIN	Director Identification Number
DLOO	Draft Letter of Offer filed with SEBI on Tuesday, November 07, 2023 pursuant to the provisions of Regulation 16(1) of the SEBI (SAST) Regulations, for its observations.
DP	Depository Participant
DPS	Detailed Public Statement dated Monday, October 30, 2023, published in the newspaper on behalf of the Acquirers on Tuesday, October 31, 2023, in Financial Express (English – All edition), Jansatta (Hindi-All Edition) Pratahakal (Marathi) (Mumbai Edition) and Sukhabar (Kolkata Edition).
ECS	Electronic Clearing Service
EPS	Profit After Tax available to Equity Shareholders / Weighted Average No. of Equity Shares
Escrow Agreement	Escrow Agreement, dated Monday, October 23, 2023, entered amongst and between the Acquirers, the Escrow Banker and the Manager to the Offer.
Escrow Account	The escrow account is opened in the name and style of 'VANAMA – PHTRADING - OPEN OFFER ESCROW ACCOUNT' opened with IndusInd Bank Limited
Escrow Banker	IndusInd Bank Limited
Equity Shares	The fully paid-up equity shares of the Target Company of face value of Rs.10.00 (Rupees Ten Only) each
Equity Share Capital	The fully paid-up Equity Share capital of the Target Company is Rs.48,00,000 (Rupees Forty Eight Lakh only) comprising of 4,80,000 equity shares;
FEMA	Foreign Exchange Management Act, 1999, as amended
FII/FPIs	Foreign Institutional Investors / Foreign Portfolio Investors registered with SEBI
Form of Acceptance or FOA	Form of Acceptance - cum - Acknowledgement
Identified Date	The date for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent, being Monday, December 04, 2023
IT Act	Income Tax Act, 1961, as amended and modified from time to time
Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015 and subsequent amendments thereof
ISIN	International Securities Identification Number
IFSC	Indian Financial System Code
LOO or Letter of Offer	Letter of Offer dated [●] along with Form of Acceptance - Cum - Acknowledgement (for holding Equity Shares in physical form), and Form SH-4 Securities Transfer Form
Manager to the Offer/ Manager/ Merchant Banker/ BPL	Bonanza Portfolio Limited
Networth	Equity Capital + Free Reserve (excluding Revaluation Reserve) - Debit balance in Profit & Loss A/c – Misc expenditure not written off
NRI/s	Non - Resident Indians
NSDL	National Securities Depository Limited
Offer/ Open Offer	Open offer being made by the Acquirers to acquire upto 1,24,800 (One Lakh Twenty Four Thousand and Eight Hundred) Equity Shares, representing 26.00% of the Equity

Abbreviations	Particulars
	Shares and Voting Share Capital of the Target Company, at a price of Rs. 50.00/- (Rupees Fifty Only) per Equity Share, payable in cash, assuming full acceptance aggregating to a maximum consideration of Rs. 62,40,000 (Rupees Sixty Two Lakh Forty Thousand Only).
Offer Period	Period between the date of Public Announcement and the date on which payment of consideration to the Shareholders who have accepted the open offer, or the date on which the Offer is withdrawn, as the case may be
Offer Price	An offer price of Rs. 50.00 (Rupees Fifty Only) per Equity Share
Offer Shares	1,24,800 (One Lakh Twenty Four Thousand and Eight Hundred) Equity Shares
Offer Size	1,24,800 (One Lakh Twenty Four Thousand and Eight Hundred) Equity Shares representing 26.00% of the Equity and Voting Share Capital of the Target Company as of the tenth working day from the closure of the Tendering Period.
PA	Public Announcement dated Monday, October 23, 2023
PAN	Permanent Account Number
PAT	Profit after Tax
Promoter Seller	The existing promoters and members of the promoter and promoter group of the Target Company namely being, Santan Investment Advisory LLP.
Public Shareholders	All the public shareholders of the Target Company who are eligible to tender their Equity Shares in the Offer, other than the Acquirers, Seller (as defined below), and persons deemed to be acting in concert with the parties to the SPA, pursuant to and in compliance with the SEBI (SAST) Regulations
RBI	Reserve Bank of India
Registrar	Purva Shareregistry (India) Private Limited
Return on Net Worth	(Profit after Tax available for Equity Shareholders) / (Equity Share Capital + Free Reserves (excluding Revaluation reserve) – Debit balance in Profit & Loss A/c – Misc expenditure not written off)
Rs/ Rupee/INR/₹	Indian Rupees, the legal currency of India
Seller/Selling Shareholder	Parties to SPA who are selling the shares under SPA and are as mentioned under table on paragraph 3.1.3 as Seller.
Sale Shares/ Seller's Equity Shares	3,14,950 (Three Lakh Fourteen Thousand Nine Hundred and Fifty only) Equity Shares of Rs. 10/- each representing 65.61% of the Equity Shares and voting share capital of the Target Company at a negotiated price of ₹50.00 (Rupees Fifty Only) per equity share, aggregating to a total consideration of ₹ 1,57,47,500.00 (Rupees One Crore Fifty Seven Lakh Forty-Seven Thousand Five Hundred Only) by Promoter Seller to the Acquirers, pursuant to the execution of a Share Purchase Agreement dated October 23, 2023
SCRR	Securities Contract (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and subsequent amendment thereto
SEBI (SAST) Regulations, 2011 / Takeover Regulation/ SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereof
Stock Exchange	BSE Limited, the only stock exchange where the Equity Shares of the Target Company are listed
STT	Securities Transaction Tax
Share Purchase Agreement	Share Purchase Agreement dated Monday, October 23, 2023, executed between the Acquirers and the Promoter Seller, pursuant to which the Acquirers have agreed to acquire 3,14,950 (Three Lakh Fourteen Thousand Nine Hundred and Fifty Only) Equity Shares of Rs. 10/- each representing 65.61% of the Equity Share and voting share capital of the Target Company at a negotiated price of ₹50.00 (Rupees Fifty Only) per

Abbreviations	Particulars
	equity share, aggregating to a total consideration of ₹ 1,57,47,500.00 (Rupees One Crore Fifty Seven Lakh Forty-Seven Thousand Five Hundred Only)
Promoter Seller	Promoter of the Target Company as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015
Voting Share Capital	The fully diluted Equity Share Capital and voting share capital of the Target Company as of the 10 th (Tenth) working day from the closure of the Tendering Period
Target Company/ PH TRADING LIMITED	PH Trading Limited
Tendering Period	The period commencing from Monday, December 18, 2023 and ending on Monday, January 01, 2024 both days inclusive
TRS	Transaction Registration Slip
Underlying Transaction	The transaction for sale and purchase of the Sale Shares as contemplated under the SPA
Voting Share Capital	Means the total paid-up equity share capital/ voting capital of the Target Company on a fully diluted basis as of the 10 (Tenth) Working Day from the closure of the Tendering Period for the Open Offer <i>i.e</i> Paid-up Equity Share Capital of Rs. 48,00,000 comprising of 4,80,000 Equity Shares of Rs. 10/- each fully paid-up
Working Day	Working days of SEBI as defined in the SEBI (SAST) Regulations

Note:

All terms beginning with a capital letter used in this Draft 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 PUBLIC SHAREHOLDERS OF PH TRADING LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OPEN OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LOF. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LOF, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER - BONANZA PORTFOLIO LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 07, 2023 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DLOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.’

3. DETAILS OF THIS OFFER

3.1. Background of the Offer

- 3.1.1. This Open Offer is a mandatory offer, being made by the Acquirers to the public shareholders of the Target Company, in compliance with Regulations 3(1) and 4 of SEBI (SAST) Regulations for substantial acquisition of equity shares/ voting rights, accompanied with a change in management control of the Target Company
- 3.1.2. The Acquirers have entered into a Share Purchase Agreement (“SPA”) with the Seller on Monday, October 23, 2023, with an intent to acquire 3,14,950 Equity Shares of Rs. 10/- each representing 65.61% of the Equity and Voting Share Capital of the Target Company at a negotiated price of ₹50.00 (Rupees Fifty Only) per equity share,

aggregating to a total consideration of ₹ ₹ 1,57,47,500.00 (Rupees One Crore Fifty Seven Lakh Forty-Seven Thousand Five Hundred Only), payable in cash, subject to such terms and conditions as mentioned in the Share Purchase Agreement. The Seller is Promoter/ Promoter Group of the Target Company and also is in management control of the Target Company.

- 3.1.3. The details of the Promoter Seller, who has entered into the Share Purchase Agreement with the Acquirers are stated hereunder:

Name of the Promoter Seller	Residential Address	No. of Equity Shares	% of Equity Shares/ Voting Rights
Santan Investment Advisory LLP	1005 Falcon Crast, Raheja Sherwood, Nirlon Compound, W.E Highway, Goregaon East, Mumbai 400063, Maharashtra	3,14,950	65.61%
Total		3,14,950	65.61

- 3.1.4. Except for the proposed acquisition of 3,14,950 (Three Lakhs Fourteen Thousand Nine Hundred and Fifty) Equity Shares representing 65.61% (Sixty-Five point Six One) of the equity shares and voting share capital of the Target Company, pursuant to execution of the Share Purchase Agreement, the Acquirers are not holding any Equity Shares of the Target Company.
- 3.1.5. The prime object of this Open Offer is to acquire substantial acquisition of equity shares and voting share capital accompanied with the change in control and management of the Target Company.
- 3.1.6. This Offer is not pursuant to any open market purchase or a global acquisition resulting in indirect acquisition of the Equity Shares of the Target Company.
- 3.1.7. The Proposed change in control of the Target Company is not through any Scheme of Arrangement.
- 3.1.8. The Acquirers are making this Offer to acquire upto 1,24,800 (**One Lakh Twenty Four Thousand and Eight Hundred**) equity shares representing 26.00% (Twenty-Six Percent) of equity and voting share capital of the Target Company, at an offer price of Rs.50.00 (Rupees Fifty Only) per Equity Share, aggregating to a total consideration of Rs. 62,40,000 (Rupees Sixty Two Lakh Forty Thousand Only), payable in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, subject to the terms and conditions set out in the Offer Documents.
- 3.1.9. Upon the consummation of the transaction contemplated in the offer, the Acquirers will be the largest Shareholder and have a controlling stake in the target company , and will be classified as a ‘ Promoter’ of the Target Company in accordance with the applicable laws. The erstwhile promoter and promoter group do not hold any management control, nor do they hold any Equity Shares of the Target Company, and on completion of the Offer ceased to be promoter and promoter group of the Target Company and the Acquirers will be the new Promoter of the Target Company, subject to compliance with conditions specified in Regulation 31A of the SEBI (LODR) Regulations.
- 3.1.10. The salient features of the Share Purchase Agreement are as follows:
- (i) The Sale Shares are fully paid up and are free from lock-in or any lien whatsoever and other encumbrances and the Promoter Sellers shall hand over the said confirmation letter to the Acquirers along with the letter received from the Target Company before Closing.
 - (ii) The Purchase Price for the Sale Shares, payable by the Acquirers to the Seller, shall be Rs. 50/- (Rupees Fifty Only) per share and the total consideration amount shall be ₹ 1,57,47,500/- (Rupees One Crore Fifty Seven Lakh Forty Seven Thousand five Hundred Only).
 - (iii) The Acquirers will pay the entire consideration of ₹1,57,47,500.00/- (Rupees One Crores Fifty-Seven Lakhs Forty-Seven Thousand Five Hundred Only) in the following manner:
 - a) A sum of ₹78,73,750.00/- (Rupees Seventy-Eight Lakhs Seventy-Three Thousand Seven Hundred Fifty Only), amounting to 50% of the Purchase Price on the date of signing of the said SPA.

- b) Balance sum of ₹78,73,750.00/- (Rupees Seventy-Eight Lakhs Seventy-Three Thousand Seven Hundred Fifty Only), amounting to balance 50% of the Purchase Price on or before receipt of SEBI Observation Letter.
- (iv) Except as specified Article 3.7 of SPA, and from the date of entering into SPA till the date of the completion of the Offer, the Promoter Sellers shall not, except with the prior written consent of the Acquirers, sell, transfer, gift, exchange or dispose of or any way deal in the equity shares of the Target Company or create any right, interest, or encumbrance over the Sale Shares.
- (v) The Target company has paid Rs. 35,00,000/- (Rupees Thirty-Five Lakhs) to Custom Port (Kolkata) with reference to notice no. F. No. DRI/MZU/D/ENQ-89/2014/1123 dated 28/01/2016, regarding “Evasion of Anti-Dumping duty in Import of Melamine. The Company has paid an amount of Rs. 35,00,000/- under protest and the company has filed appeal against the same and the same has been accounted as an “Advance to custom” in the balance sheet of the Target Company. The seller hereby undertake that the said appeal shall pursued by them in their personal capacity and in the event the appeal is ruled in favor of the company, the amount shall be repaid immediately as and when the amount is received by the company.
- 3.1.11. The main object of the Acquirers for the acquisition is substantial acquisition of shares and voting rights and taking control over the management of the Target Company and by above proposed acquisition pursuant to SPA which resulted in triggering of Regulations, the Acquirers will be holding substantial stake and will be in control of the Target Company.
- 3.1.12. As per the provisions of Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to constitute a committee of independent directors who would provide written reasoned recommendation on this Offer to the Public Shareholders of the Target Company and such recommendations shall be published at least 2 (Two) Working Days before the commencement of the Tendering Period in the same newspaper where the Detailed Public Statement was published.
- 3.1.13. On completion of this Open Offer, assuming full acceptances, the shareholding of the Public Shareholders in the Target Company may fall below minimum public shareholding requirement as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Acquirers will ensure compliance with the minimum public shareholding requirements in such manner and timelines prescribed under applicable law.
- 3.1.14. The Acquirers will continue with the existing line of business of the Target Company and any subsequent change in the line of activity shall be effected after taking the necessary approvals. However, depending on the requirements and expediency of the business situation and subject to all applicable laws, rules and regulations, the Board of Directors of the Target Company will take appropriate business decisions from time to time in order to improve the performance of the Target Company.

3.2. Details of the proposed Offer

- 3.2.1. The Public Announcement was issued on Monday, October 23, 2023, by the Manager to the Offer, for and on behalf of the Acquirers. A copy of the said Public Announcement was sent to SEBI, BSE and the Target Company on Monday, October 23, 2023 and was filed with SEBI on Wednesday October 25, 2023.
- 3.2.2. The Detailed Public Statement (“DPS”) dated Monday, October 30, 2023, was published in the newspapers on Tuesday, October 31, 2023, in Financial Express (English daily - All Edition), Jansatta (Hindi daily - All Edition), Pratahkal (Marathi Daily) (Mumbai Edition) and Sukhabar (Bengali) (Kolkata Edition) (‘Newspaper’).

Publication	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Pratahkal	Marathi	Mumbai Edition
Sukhabar	Bengali	Kolkata Edition

- 3.2.3. A copy of Public Announcement, Detailed Public Statement and Draft Letter of Offer will also be available on the website of SEBI at www.sebi.gov.in.

- 3.2.4. The Acquirers are making this Offer, pursuant to Regulations 3(1) and 4 of the SEBI (SAST) Regulations, to acquire upto 1,24,800 (One Lakh Twenty Four Thousand and Eight Hundred) equity shares of Rs. 10/- each representing 26.00% of the Equity Share and voting share capital of PH Trading Limited (the “Offer Size”), at a price of ₹50.00 (Rupees Fifty Only) per equity share/ voting right from the Public Shareholders of the Target Company. Assuming full acceptance, the total consideration payable by the Acquirers under this Offer, at the Offer Price, aggregates to ₹ 62,40,000 (Rupees Sixty Two Lakh Forty Thousand Only) payable in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations, subject to the terms and conditions set out in the Offer Documents.
- 3.2.5. To the best of the knowledge and belief of the Acquirers, there are no statutory and other approvals required to be obtained to complete the Underlying Transaction contemplated under the SPA or to complete this Open Offer. However, it will be subject to all statutory approvals that may become applicable at a later date.
- 3.2.6. As of the date of this Draft Letter of Offer, there is neither partly paid-up shares in the Target Company nor outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company.
- 3.2.7. Further as on date of this Draft Letter of Offer, no equity shares are subject to any lock-in obligations.
- 3.2.8. The Acquirers have not acquired any Equity Shares during period of 52 (Fifty-Two) weeks prior to the date of the PA. Further, the Acquirers have not purchased any equity shares from the date of the Public Announcement to the date of this Draft Letter of Offer.
- 3.2.9. The Acquirers have deposited an amount of ₹16,00,000 (Rupees Sixteen Lakh Only), being more than 25% of the Offer Consideration payable, assuming full acceptance in the Escrow Account, pursuant of this Offer, in compliance with the provisions of Regulation 22(2) of the SEBI (SAST) Regulations.
- 3.2.10. This Offer is not conditional upon any minimum level of acceptance in terms of the Regulation 19(1) of SEBI (SAST) Regulations.
- 3.2.11. This Offer is not a competing offer in terms of the Regulation 20 of SEBI (SAST) Regulations.
- 3.2.12. The Equity Shares which will be acquired by the Acquirers should be 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.
- 3.2.13. The Acquirers intend to retain the listing status of Target Company and no delisting offer is proposed to be made.
- 3.2.14. Upon completion of this Offer, assuming full acceptances, the Acquirers will hold 4,39,750 (Four lakh Thirty Nine thousand Seven Hundred and fifty only) Equity Shares representing 91.61 % (Ninety One Point Six One Percent) of the equity and voting share capital of the Target Company.
- 3.2.15. The Acquirers shall not be eligible to make a voluntary delisting offer under the SEBI (Delisting of Equity Shares) Regulations, 2021, unless a period of twelve months have elapsed from the date of completion of the offer period as per regulation 7(5) of the SEBI (SAST) Regulations, 2011.
- 3.2.16. The Acquirers have appointed Bonanza Portfolio Limited as the Manager to the Offer in terms of Regulation 12 of the SEBI (SAST) Regulations.
- 3.2.17. As on the date of this Draft Letter of Offer, the Manager to the Offer does not hold any Equity Shares in the Target Company and is not related to the Acquirers and the Target Company in any manner whatsoever. The Manager to the Offer declares and undertakes that, they shall not deal on its own account in the Equity Shares during the Offer Period. Further, the Manager to the Offer confirms that, as on date of this Draft Letter of Offer, there are no directions subsisting or proceedings pending against them under the SEBI Act and the regulations made thereunder, and no other statutory approval is pending.
- 3.2.18. The Equity Shares of the Target Company is listed at BSE. As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR)

Regulations”) 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 a continuous basis for listing. If, pursuant to this Offer and upon transfer of shares under SPA, the public shareholding in the Target Company reduces below the minimum level required as per the listing agreement entered into by the Target Company with BSE read with Rule 19A of the SCRR, the Acquirers hereby undertake that their shareholding in the Target Company will be reduced, within the time period specified in the SCRR, such that the Target Company complies with the required minimum level of public shareholding.

- 3.2.19. If the aggregate number of Equity Shares validly tendered in this Open Offer by the Public Shareholders, then the Equity Shares validly tendered by the Public Shareholders will be accepted proportionately, in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (One) only.
- 3.2.20. If the Acquirers acquires Equity Shares of the Target Company during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all Public Shareholders whose Offer Shares have been accepted in the Offer within 60 (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 Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, including subsequent amendments thereto, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of Equity Shares of the Target Company in any form.
- 3.2.21. The payment of consideration shall be made to all the Public Shareholders, who have tendered their Equity Shares in acceptance of the Offer within 10 (Ten) Working Days of the expiry of the Tendering Period. Credit for consideration will be paid to the Public Shareholders who have validly tendered Equity Shares in the Offer by crossed account payee cheques/pay order/demand drafts/electronic transfer. It is desirable that Public Shareholders provide bank details in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheques/demand draft/pay order.

3.3. Object of the Open Offer

- 3.3.1. The object and purpose of the Acquirers are to achieve substantial acquisition of equity shares/ voting capital and obtain control over the Target Company by (a) acquisition of the equity shares held by the Current Promoters/Promoter Group of the Target Company through SPA; and (b) acquisition of equity shares through open offer made under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- 3.3.2. The Acquirers will continue with the existing line of business of the Target Company and any subsequent change in the line of activity shall be effected after taking the necessary approvals. However, depending on the requirements and expediency of the business situation and subject to the applicable laws, rules and regulations, the Board of Directors of PH Trading Limited will take appropriate business decisions from time to time in order to improve the performance of the Target Company.
- 3.3.3. The Acquirers have reserved the right to streamline or restructure, pledge, or encumber their holding in the Target Company and/ or the operations, assets, liabilities and/ or the businesses of the Target Company through arrangements, reconstructions, restructurings, mergers, demergers, sale of assets, or undertakings and/ or re-negotiation or termination of the existing contractual or operating arrangements, at a later date in accordance with the relevant applicable laws. Such decisions will be taken in accordance with the procedures set out under the relevant applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances, from time to time.
- 3.3.4. The Acquirers state that, they do not have any plan to dispose-off or otherwise encumber any significant assets of the Target Company in the succeeding 2 (Two) years from the date of closure of this Offer, except: (a) in the ordinary course of business of the Target Company; and (b) on account of the regulatory approvals or conditions or compliance with any law that is binding on or applicable to the Target company. In the event any substantial asset of the Target Company is to be sold, disposed-off, or otherwise encumbered other than in the ordinary course

of business, the Acquirers undertakes that, they shall do so only upon the receipt of the prior approval of the shareholders of the Target Company through a special resolution in terms of Regulation 25(2) of the SEBI (SAST) Regulations, and subject to the such other provisions of applicable law as may be required.

3.3.5. Pursuant to this Offer and the transactions contemplated in the Share Purchase Agreement, the Acquirers shall become the promoters of the Target Company and the Seller will cease to be the promoters of the Target Company in accordance with the provisions of Regulation 31A of the SEBI (LODR) Regulations.

4. BACKGROUND OF THE ACQUIRERS

4.1. Mr. Vanama Naveen Kumar ('Acquirer 1')

4.1.1 Mr. Vanama Naveen Kumar s/o Vanama Kesava Rao, aged about 43 years, Permanent Account Number 'ADIPV1562F' under Income Tax Act, 1961, residing at 54-1-73/2A Uma Maheswara Nilayam Vijaylaxmi Colony Bharathi Nagar Main Raod End Vijayawada (Urban) Krishna Andhra Pradesh – 520007.

4.1.2 He is a Commerce Graduate from Andhra University.

4.1.3 Mr. Naveen, the Founder and Managing Director of Vega Jewellers, played a pivotal role in establishing the company in the year 2002. He is a dynamic and accomplished jewellery brand company owner with a proven track record in the states of Andhra Pradesh and Telangana. He established brand Vega with great emphasis on seamless process in procurement, running of stores and sales with focus on standards in quality while sticking to high ethical values. Led strategic brand development and market positioning, resulting in exponential year-over-year revenue growth. His emphasis on supplier management and the cultivation of strong relationships with manufacturers were integral to Vega's remarkable success in sales.

4.1.1 The Networth of the Acquirer 1 as on October 12, 2023 is Rs. 32,51,75,000 (Rupees Thirty Two Crore Fifty One Lakh Seventy Five Thousand Only) as certified *vide* Networth Certificate dated October 23, 2023 issued by CA Sudheer Chunduru, (Membership No. 234229), proprietor at Sudheer Chunduru & Co., Chartered Accountant, FRN: 019515S, having office at Flat No 102, Mahalakshmi Residency, beside Padmasali Function Hall, Pydiah Street, Labbipeta, Vijayawada 520010, Mob No. +91 9493218063, Email: chundurudheer7@gmail.com.

4.2. Mr. Vanama Sudhakar ('Acquirer 2')

4.2.1 Mr. Vanama Sudhakar s/o Kesavarao aged about 41 years, bearing Permanent Account Number 'AGLPV0352P' under Income Tax Act, 1961, residing at 2-33 Chanubanda Main Road Chatrai Mandalam Chanubanda Krishna Andhra Pradesh - 521214.

4.2.2 He is a commerce graduate form the Acharya Nagarjuna University of Andhra Pradesh.

4.2.3 He is an Executive Director at Vega Jewellers. He implemented and managed efficient supply chain operations and also implemented robust inventory management systems and loss prevention measures. He is skilled in Inventory Management, Supply Chain Optimization, Team Leadership, Retail Operations, Inventory Control and Vendor & Artisan relationships.

4.2.4 The Networth of the Acquirer 2 as on October 23, 2023 is Rs. 20,99,67,000 (Rupees Twenty Crore Ninety Nine Lakh Sixty Seven Thousand Only) as certified *vide* Networth certificate dated October 23, 2023 issued by CA Sudheer Chunduru (Membership No. 234229) proprietor at Sudheer Chunduru & Co., Chartered Accountant, FRN: 019515S, having office at Flat No 102, Mahalakshmi Residency, beside Padmasali Function Hall, Pydiah Street, Labbipeta, Vijayawada 520010, Mob No. +91 9493218063, Email: chundurudheer7@gmail.com.

4.3. Acquirers Confirmation and Undertaking

As on date of this Draft Letter of Offer, the Acquirers have confirmed and declared that:

4.3.1. The acquirers do not belong to any group.

4.3.2. Acquirers are not forming part of the present promoter and promoter group of the Target Company.

4.3.3. Acquirers are not related to any of the promoter, directors, or key employees of the Target Company.

4.3.4. There are no directors representing Acquirers on the board of the Target Company

- 4.3.5. Acquirers do not hold any Equity Shares in the Target Company, prior to the execution of the Share Purchase Agreement, and subsequently, pursuant to the consummation of the Share Purchase Agreement transaction, they shall be classified and will become the promoter of the Target Company, subject to the compliance of the SEBI (LODR) Regulations.
- 4.3.6. Acquirers will not sell the Equity Shares of the Target Company, held, and acquired, if any, during the Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 4.3.7. Acquirers have not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act or under any other Regulation made under the SEBI Act.
- 4.3.8. Acquirers have not been categorized nor are appearing in the ‘Wilful Defaulters or a Fraudulent Borrowers’ list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.
- 4.3.9. Acquirers have not been declared as ‘Fugitive Economic Offenders’ under Section 12 of the Fugitive Economic Offenders Act, 2018.

5. BACKGROUND OF THE TARGET COMPANY

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

- 5.1. The Target Company was incorporated on June 25, 1982, as Larsen Services & Trading Company Limited under the provisions of Companies Act, 1956 vide Certificate of Incorporation issued by Registrar of Companies, West Bengal. The name of the Company was changed to PH Trading Limited and a fresh Certificate of Incorporation consequent upon change of name was obtained on March 12, 2004. The Corporate Identity Number of the Target Company is L51109WB1982PLC035011. There has been no change in the name of the Target Company during the last three years.
- 5.2. The registered office of the Target Company is situated at Poddar Point, 113 Park St, Block B, 10th Floor, Kolkata 700016, West Bengal, India.
- 5.3. The equity shares bears ISIN ‘INE603D01017’, Scrip Code ‘512026’ and Scrip ID ‘PHTRADING. The Target Company has already established connectivity with both the Depositories i.e. NSDL & CDSL.
- 5.4. The company has been engaged in Trading of Phenol & Formaldehyde. They provide safe and efficient supply of Industrial Chemicals to their clients across the country.
- 5.5. The equity shares of the Target Company are presently listed only at BSE Limited.
- 5.6. The Equity Share Capital of the Target Company is as follows:

Sr. No.	Particulars	Number of Equity Shares	Aggregate amount of Equity Shares	Voting Share Capital
1	Authorized Equity Share capital	5,00,000 (Five Lakh)	₹50,00,000 (Rupees Fifty Lakh Only)	100.00% (Hundred Percent)
2	Issued, subscribed, and paid-up Equity Share capital	4,80,000 (Four Lakh Eighty Thousand Only)	₹48,00,000 (Rupees Forty Eight Lakh Only)	100.00% (Hundred Percent)

- 5.7. There are no outstanding partly paid-up shares or any other convertible instruments to be converted into Equity Shares of the Target Company at a future date.
- 5.8. None of the Equity Shares are subject to any lock-in.
- 5.9. Based on the information available on the BSE’s website, the Equity Shares of the Target Company are infrequently traded on BSE within the meaning of explanation under the provisions of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 5.10. As on date of this DLOF, the trading in Equity Shares of the Target Company is not suspended at BSE Limited. The trading in Equity Shares of Target Company is under XT/T+1 Category.
- 5.11. The Target Company is in compliance with the SEBI (LODR) Regulations *expect as mention in 5.15 below*, and as on date of this Draft Letter of Offer, no penal action has been taken by BSE against the Target Company, during May 2023

to October 2023. Further, no penalties has been levied by SEBI/ RBI or any other regulatory body against the Target Company, and its Promoters.

- 5.12. The Target Company is neither registered with any regulatory nor with any governmental authority in any capacity and hence is not required to obtain any No Objection Certificate from any regulatory or governmental authority for effecting change in control of the Target Company.
- 5.13. The Target Company has not been a party to any scheme of amalgamation, restructuring, merger / de-merger, buy-back and spin off during the last 3 (Three) years.
- 5.14. The present Board of Directors of the Target Company are as follows:

Sr. No.	Name	Date of Appointment	DIN	Designation
1.	Mallinath Madineni	11/08/2023	01556784	Managing Director
2.	Prathima Mallinath Madineni	11/08/2023	06365444	Non-Executive Director
3.	Bhavesh Prabhudas Vora	11/08/2023	06814823	Independent Director
4.	Ajay Suresh Yadav	11/08/2023	09841715	Independent Director

(Source: MCA and BSE Limited)

- 5.15. During May 2023 to October 2023, the non-compliance / delayed compliances observed on the part of the Target Company, erstwhile Promoter/ Promoter Group and major shareholder of the Target Company, with respect to compliance under Chapter V of SEBI (SAST) Regulations, 2011 and SEBI (LODR) Regulations, 2015 are as follows: (Source: BSE Website)

LODR Compliances

Sr No.	Regulation/ Sub Regulation	Financial year	Due date for Compliances	Actual Date	Delay, if any	Status of Compliance with LODR Regulations	Remarks, If any
1	31	2023-24	21-10-2023	20-10-2023	-	Non Compliance	Wrong SHP has been filed by the Company for the Quarter ending on September 2023. Mr. Mallinath Madineni and Ms. Pratima Madineni should also be shown as part of Promoter/ Promoter Group, but Mr. Mallinath Madineni is shown under Public Category.
2	33	2023-24	30-05-2023	11-05-2023 & 13-05-2023	-	Compliance	Audited Financial and Audit Report was initially filed on 11-05-2023; which was revised on 13-05-2023

SAST Compliances

Sr. No.	Regulation/ Sub Regulation	Financial year	Due date for Compliances	Actual Date	Delay, if any	Status of Compliance with Takeover Regulations	Remarks, If any
1	29(2)	2023-2024	20-07-2023	Not complied*	110 days**	Non Compliance	*The disclosure submitted by Santan Investment Advisory LLP, Mr. Mallinath Madineni and Ms. Pratima Madineni (Acquirers) for acquisition of shares on July 18, 2023 pursuant to execution of SPA was made on July 20, 2023. The disclosure was made under Regulation 29(1) instead of Regulation 29(2).

** Calculated from 7/11/2022 to 31/10/2023

5.16. **Financial Information**

The audited financial information for the Financial Years ending March 31, 2023, March 31, 2022, and March 31, 2021 and unaudited financial figures for the quarter ending June 30, 2023 are as follows: *(Source: BSE Limited)*

Profit and Loss Statement

(Amount in Lakh except Equity Share data)

Particulars	For the quarter ended June 30, 2023 (Unaudited and Limited Reviewed)	Audited Financial Statements for the Financial Year ending March 31		
		2023	2022	2021
Income from Operations		0.00	6.40	207.50
Other Income	0.10	3.20	15.40	6.40
Total Income	0.10	3.20	21.80	213.90
Total Expenditure excluding Interest, Depreciation and Tax	5.60	20.10	13.20	219.60
Profit/ (Loss) before Interest, Depreciation and Tax	(5.50)	(16.90)	8.60	(5.70)
Depreciation & Amortization Expenses	0.00	0.00	0.00	0.00
Interest	0.00	0.00	0.00	0.10
Profit/ (Loss) before Tax	(5.50)	(16.90)	8.60	(5.80)
Add: Exceptional Items	0.00	0.00	0.00	0.00
Less: Current Tax	0.00	0.00	(5.90)	0.00
Deferred Tax	0.00	(0.50)	(0.10)	(0.10)
Taxes for earlier period	0.00	(21.80)	(0.00)	0.00
Profit/ (Loss) after tax	(5.50)	(38.20)	14.60	(5.70)

Balance Sheet

(Amount in Lakh except Equity Share data)

Particulars	Unaudited Financial Statements for Quarter ended June 30, 2023	Audited Financial Statements for the Financial Year ending March 31		
		2023	2022	2021
(A) Sources of funds				
Paid up share capital	48.00	48.00	48.00	48.00
Reserves & Surplus	-	173.50	212.20	197.70
Less: Miscellaneous Exp not w/off	-	0.00	0.00	0.00
Net Worth	-	221.50	260.20	245.70
Financial Liabilities	-			
Provisions	-	0.10	3.50	3.70
Other Financial Liabilities	-	0.00	22.00	37.00
Current Liabilities	-			
Trade Payables	-	0.00	1.20	1.10
Other Current Liabilities	-	0.60	0.40	0.00
Total (A)	-	222.20	287.30	287.50
(B) Uses of funds	-			
Financial Assets	-			
Investments	-	0.00	0.00	0.00
Other Financial assets	-	169.60	0.20	0.20
Deferred tax	-	1.10	1.00	1.00
Total Non- Current Assets	-	170.70	1.20	1.20
Current Assets	-			
Inventories	-	0.50	0.50	0.50
Trade Receivables	-	0.00	0.00	1.00
Cash & Cash Equivalents	-	0.10	0.50	0.50
Current Tax Asset (Net)	-	1.80	35.10	27.20
Other Current Assets	-	49.20	39.40	38.60
Other Financial Assets	-	0.00	210.70	218.60
Total Current Assets	-	51.60	286.20	286.40
Total (B)	-	222.20	287.30	287.50

* The difference is due to rounding off

Particulars	Unaudited Financial Statements for Quarter ended June 30, 2023	Audited Financial Statements for the Financial Year ending March 31*		
		2023	2022	2021
Total Revenue	0.08	3.20	21.80	213.90
Net Earnings or Profit/(Loss) after tax	(5.50)	(38.20)	14.60	(5.70)
Earnings per Share (EPS)	(1.15)	(7.97)	3.03	(1.19)
Net Worth	-	221.50	260.20	245.70

- 5.17. The pre-Offer and post-Offer shareholding of the Target Company (based on the issued, subscribed, and paid-up Equity Share capital and Voting Share Capital), assuming full acceptance under this Offer is as specified below:

Shareholders' Category	Shareholding/voting rights prior to the SPA/acquisition and Offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulations		Shares/voting rights to be acquired in Open Offer (assuming full acceptances)		Shareholding /voting rights after Acquisition and Offer (A+B+C)	
	(A)		(B)		(C)		(D)	
	No. of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding
1. Promoters & Promoter Group								
(a) Party to the Share Purchase Agreement								
Santan Investment Advisory LLP	3,14,950	65.61	(3,14,950)	(65.61)	0	0.00	Nil	Nil
Total	3,14,950	65.61	(3,14,950)	(65.61)	0	0.00	0	0.00
(b) Promoters other than (a) above								
None ⁽ⁱⁱ⁾	0	0.00	0	0.00	0	0.00	0	0.00
Total	0	0.00	0	0.00	0	0.00	0	0.00
Total 1 (a+b)	3,14,950	65.61	(3,14,950)	(65.61)	0	0.00	0	0.00
2. Acquirers								
Vanama Naveen Kumar	0.00	0.00	1,57,475	32.81	62,400	13.00	2,19,875	45.81
Vanama Sudhakar	0.00	0.00	1,57,475	32.81	62,400	13.00	2,19,875	45.81
Total	0.00	0.00	3,14,950	65.61	1,24,800	26.00	4,39,750	91.62
3. Parties to Share Purchase Agreement other than 1(a) & 2								
None	0	0.00	0	0.00	0	0.00	0	0.00
4. Public (other than Parties to Agreement and Acquirers) #								
a. FIs/ MFs/ FIIs/ Banks/ SFIs (Indicate names)	0	0.00	0	0.00	(1,24,800)	(26.00)	40,250	8.39
b. Others								
Resident Individuals ⁽ⁱⁱ⁾	1,41,850	29.56	0	0.00				
Bodies Corporate	23,200	4.83	0	0.00				
Others	0	0.00	0	0.00				
Total (4) (a+b)	1,65,050	34.39	0	0.00				
GRAND TOTAL (1+ 2+ 3+ 4)	4,80,000	100	0	0.00	0	0.00	4,80,000	100.00

Notes:

- There are 35(Thirty Five) Public Shareholders as per the shareholding pattern with BSE filed for the quarter ending September 30, 2023.
- As per BSE Records, Mr. Mallinath Madineni is shown as Public Shareholder. However he should be part of Promoter and Promoter Group and not public shareholder. Hence, the correct pre public shareholding will be 1,23,340 (25.7%) Equity shares and not 1,65,050 (34.39%) equity shares. Accordingly the Open Offer will be revised for 25.7% instead of 26%. However since the open offer is given for 1,24,800 (26.00%) Equity shares, based on the shareholding pattern on BSE Limited, the above pre-Offer and post-Offer shareholding is been prepared considering Mr. Mallinath as public shareholder.

- 5.18. Neither the Target Company nor its Promoters and/or Directors are declared as “Fugitive Economic Offenders” under Section 12 of the Fugitive Economic Offenders Act, 2018. Also they are not categorized or appearing in the “Wilful Defaulter or Fraudulent Borrower” list issued by any bank, financial institution, or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by SEBI.
- 5.19. The Target Company has complied with all the requirements of the SEBI (LODR) Regulations, as on date expect as detailed in point 5.15, and no penal/ punitive actions have been taken by BSE in the last and current financial years (from May 2023 2022 to November 2023).
- 5.20. There are no directions subsisting or proceedings pending against the Target Company and its promoters under the SEBI Act and the regulations made thereunder or by any other regulator. Further, no statutory approvals are pending as on date.
- 5.21. The closing market price of the Equity Shares of the Target Company as on the date of the Public Announcement and the Detailed Public Statement, the trading day after the date of the Public Announcement was as below:

Particulars	Closing Market Price
Monday, October 23, 2023, being the date of PA	Not traded
Wednesday, October 25, 2023, being the next Trading after date of PA	Not traded
Tuesday, October 31, 2023, being the date of the DPS	Not traded
Wednesday, November 01, 2023, being the date of publication of the DPS	Not traded

(Source: BSE Limited)

- 5.22. The current promoter seller *i.e.* Santan Investment Advisory LLP has acquired the equity shares of the Company pursuant to the Share Purchase Agreement dated January 06, 2023 which triggered the Open Offer. The Open Offer was opened on April 20, 2023 and was closed on May 04, 2023. There was no shares tendered by the public shareholders during the Open Offer.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of the Offer Price

- 6.1.1. The Equity Shares of the Target Company bearing ISIN ‘INE603D01017’ are presently listed on the BSE bearing Scrip ID ‘PHTRADING’ and Scrip Code ‘512026’.
- 6.1.2. Based on the information available on the BSE Limited, the annualized trading turnover of the equity shares of the Target Company during the 12 calendar months prior to the month of the Public Announcement *i.e.*, Saturday, October 01, 2022, to Saturday, September 30, 2023. Hence, the Equity Shares of the Target Company are infrequently traded on the BSE Limited in accordance with the provisions of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

Stock Exchange	Total no. of Equity Shares traded during the 12 (twelve) calendar months prior to the month of PA	Total no. of listed Equity Shares	Annualized trading turnover (as % of shares listed)
BSE	0	4,80,000	NA

(Source: www.bseindia.com)

- 6.1.3. The Offer Price of Rs. 50.00 (Rupees Fifty Only)) has been determined considering the parameters as set out under Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, being highest of the following:

Sr. No.	Particulars	Price (In ₹ per Equity share)
1.	Negotiated Price under the Share Purchase Agreement attracting the obligations to make a Public Announcement for the Offer	Rs. 50.00 (Rupees Fifty Only)
2.	The volume-weighted average price paid or payable for acquisition(s) by the Acquirers, during the 52 (fifty-two) weeks immediately preceding the date of Public Announcement	Not Applicable

Sr. No.	Particulars	Price (In ₹ per Equity share)
3.	The highest price paid or payable for any acquisition by the Acquirers, during the 26 (twenty-six) weeks immediately preceding the date of Public Announcement	Not Applicable
4.	The volume-weighted average market price of Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of Public Announcement as traded on BSE where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period, provided such shares are frequently traded	Not Applicable
5.	The price determined by taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	₹46.15*
6.	The per share value computed under sub-regulation (5) of Regulation 8 of SEBI (SAST) Regulations	Not Applicable

* Mr. Rushabh Doshi, IBBI Registered Valuer bearing number 'IBBI/RV/03/2022/15050', having his office at Dadar West, Mumbai-400028, through his Valuation Report dated October 23, 2023, has certified that the fair value of the Equity Share of Target Company at ₹46.15 (Rupees Forty Six and Fifteen Paise Only) per Equity Share.

- 6.1.4. In view of the parameters considered and presented in the table above, in the opinion of the Acquirers and Manger to the Offer, the Offer Price of Rs.50.00 (Rupees Fifty Only) per Equity Share being the highest of the prices mentioned above is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations and is payable in cash.
- 6.1.5. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be adjusted in the event of any corporate actions like bonus, rights issue, stock split, consolidation, dividend, demergers, reduction, etc. where the record date for effecting such corporate actions falls between the date of this Draft Letter of Offer up to 3 (three) Working Days prior to the commencement of the Tendering Period of the Offer, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.
- 6.1.6. The Acquirers shall disclose during the offer period, every acquisition made by them of any equity shares of the Target Company, to the Stock Exchange and to the Target Company at its registered office within twenty-four hours of such acquisition in accordance with Regulation 18(6).
- 6.1.7. In the event of any acquisition of Equity Shares by the Acquirers during the Offer Period, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers shall not acquire any Equity Shares after the 3rd Working Day prior to the commencement and until the expiry of the Tendering Period of this Offer.
- 6.1.8. As on the date of this Draft Letter of Offer, there is no revision in the Offer Price or Offer Size.
- 6.1.9. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period in accordance with the provisions of Regulation 18(4) of the SEBI (SAST) Regulations. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations. In the event of such revision, the Acquirers shall: (i) make corresponding increase to the escrow amount (ii) make an announcement in the same newspapers in which this this Detailed Public Statement has been published; and (iii) simultaneously notify the BSE, the SEBI, and the Target Company at its registered office of such revision.
- 6.1.10. If the Acquirers acquires Equity Shares during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, the Acquirers would pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in the Open Offer within 60 (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 SEBI (SAST) Regulations, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of Equity Shares of the Target Company in any form.

6.2. Financial Arrangements

- 6.2.1. The total requirement for the Open Offer, assuming full acceptance, *i.e.*, for the acquisition of 1,24,800 equity shares of Rs. 10/- each, at an Offer Price of ₹50.00 (Rupees Fifty Only) is ₹62,40,000.00 (Rupees Sixty Two Lakh Forty Thousand Only).
- 6.2.2. The Acquirers have confirmed that they, have adequate financial resources to meet the financial requirements under the Open Offer and have made firm arrangement for financial resources for fulfilling the payment obligations under this Open Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations and are able to implement this Open Offer. The Open Offer obligations shall be met by the Acquirers through their own internal resources and no borrowings from any Bank/ Financial Institution or NRIs or otherwise is envisaged by the Acquirers for the purpose of this open offer.
- 6.2.3. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers has opened an Escrow Account in the name and style of 'VANAMA-PHTRADING-OPEN OFFER ESCROW ACCOUNT' with IndusInd Bank Limited and has deposited an amount of ₹ 16,00,000.00 (Rupees Sixteen Lakh Only), being more than 25% of the Offer Consideration payable under this Offer.
- 6.2.4. The Acquirers has duly empowered and authorized Bonanza Portfolio Limited, the Manager to the Offer, to operate and realize the value of the Escrow Account and the Special Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.5. In terms of Regulation 25(1) of the SEBI (SAST) Regulations, the Acquirers has adequate financial resources and has 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. Networth Certificate dated October 23, 2023 issued by CA Sudheer Chunduru, (Membership No. 234229) proprietor at Sudheer Chunduru & Co., Chartered Accountant, FRN: 0109515S, having office at Flat No 102, Mahalakshmi Residency, Beside Padmasali Function Hall, Pydiah Street, Labbipeta, Vijayawada 520010, Mob No. +91 9493218063, email id: chundurududheer7@gmail.com has certified that sufficient resources are available with the Acquirers for fulfilling its Offer obligations in full.
- 6.2.6. Based on the above, the Manager to the Offer is satisfied, (a) about the adequacy of resources to meet the financial requirements for the Open Offer and the ability of the Acquirers to implement the Open Offer in accordance with the SEBI (SAST) Regulations; and (b) that firm arrangements for payment through verifiable means are in place to fulfill the Open Offer obligations.
- 6.2.7. In case of upward revision of the Offer Price and/or the Offer Size, the Acquirers would deposit appropriate additional amount into an Escrow Account to ensure compliance with Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational Terms and Conditions

- 7.1.1 The Offer is being made by the Acquirers to: (a) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (b) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on the Identified Date; and (c) those persons who acquire the Equity Shares any time prior to the Offer Closing Date but who are not the registered Public Shareholders. The LOF shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company and the records of the respective Depositories on the Identified Date.
- 7.1.2 The Acquirers is making this Offer to all Public Shareholders to acquire upto 1,24,800 Equity Shares, constituting 26.00% of the Emerging Voting Capital, subject to the terms and conditions mentioned in the PA, DPS and the DLOO.
- 7.1.3 In terms of the indicative schedule of major activities, the Tendering Period for the Open Offer is expected to commence on Monday, December 18, 2023 and close on Monday, January 01, 2024.
- 7.1.4 The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that they have good and valid title on the Offer Shares. The Equity Shares tendered under this Open Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attaching

thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholders shall have obtained all necessary consents for them to sell the Equity Shares on the foregoing basis.

- 7.1.5 This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations and is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 7.1.6 The Letter of Offer specifying the detailed terms and conditions of the Offer along with the Form of Acceptance-cum-Acknowledgement shall be sent through electronic means to those Public Shareholder(s) who have registered their email ids with the depositories and also will be dispatched through physical mode by registered post / speed post / courier to those Public Shareholder(s) who have not registered their email ids and to those Public Shareholder(s) who hold Equity Shares in physical form. Further, on receipt of request from any Public Shareholder to receive a copy of Letter of Offer in physical form, the same shall be provided. In case of non-receipt of LOF and the Acceptance Form, please follow the procedure mentioned in paragraph 8.17.
- 7.1.7 Non-receipt or delayed receipt of the Letter of Offer by any person, or accidental omission to dispatch this Letter of Offer to any shareholder, shall not invalidate the Offer in any way. The last date by which the Letter of Offer would be dispatched to each of the Public Shareholders is Monday, December 11, 2023. In terms of Regulation 18 (2) the letter of offer shall be dispatched to the shareholders whose names appear on the register of members of the Target Company as of the identified date. Every person holding shares, regardless of whether he held shares on the identified date or has not received the letter of offer, shall be entitled to tender such shares in acceptance of the open offer
- 7.1.8 The Public Shareholders who tender their Equity Shares under the Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances and shall ensure that such Equity Shares when acquired by the Acquirers will be acquired free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including but not limited to the rights to all dividends, bonus and rights declared thereafter
- 7.1.9 Public Shareholders to whom the Offer is being made are free to offer their shareholding in the Target Company in whole or in part while accepting the Offer. The acceptance must be unconditional and should be absolute and unqualified. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by a Public Shareholder, the Manager to the Offer, Acquirers reserve the right to reject the acceptance of this Offer from such Public Shareholder.
- 7.1.10 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Equity Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 7.1.11 The instructions, authorizations and provisions contained in the Form of Acceptance-cum- Acknowledgement constitute an integral part of the Letter of Offer
- 7.1.12 Applications in respect of tendered Shares that are the subject matter of litigation, wherein the Shareholders may be prohibited from transferring the Shares during the pendency of the said litigation, are liable to be rejected if directions or orders regarding these Shares are not received together with the Shares tendered under this Offer. The applications in some of these cases may be forwarded (as per the discretion of the Acquirers) to the concerned statutory authorities for further action by such authorities
- 7.1.13 The Acquirers shall, within ten (10) Working Days from the last date of the Tendering Period of the Offer, complete all requirements under the SEBI (SAST) Regulations and other applicable law relating to the Offer including payment of consideration to the Public Shareholders who have validly tendered their acceptance to the Offer and for that purpose open a special account provided under Regulation 21(1).
- 7.1.14 In the event that the aggregate of the Equity Shares tendered in this Offer by the Shareholders are more than the Equity Shares to be acquired in this Offer, the acquisition of the Equity Shares from each Shareholder will be on a proportionate basis.

7.2 Locked-in Shares

There shall be no discrimination in the acceptance of locked-in (subject to continuation of the residual lock-in period in the hands of the Acquirer) and non locked-in Equity Shares in the Offer. To the best of our knowledge, the Target Company has no Equity Shares which are locked in.

7.3 Eligibility for accepting the Offer

- 7.3.1. All the Public Shareholders, registered or unregistered, of the Target Company, except the parties to the Share Purchase Agreement including persons deemed to be acting in concert with such Parties, whether holding the Equity Shares in physical form or dematerialized form are eligible to participate in this Offer at any time during the tendering period for this Open Offer.
- 7.3.2. A copy of the LOO (along with Form of Acceptance cum Acknowledgement) will also be available on SEBI's website at www.sebi.gov.in and on the website of Manager to the offer at www.bonanzaonline.com. In case of non-receipt of the Letter of Offer, the Public Shareholders may download LOO from SEBI's website or Manager to the offer's website.
- 7.3.3. Incomplete acceptances, including non-submission of necessary enclosures, if any, are liable to be rejected. Further, in case these documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.3.4. The acceptance of this offer is entirely at the discretion of the Public Shareholder(s) /Beneficial owner(s) of the Target Company. The Acquirers, Manager to the Offer or Registrar to the Offer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Shareholders are advised to adequately safeguard their interest in this regard.
- 7.3.5. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirers in consultation with the Manager to the Offer.

7.4 Statutory Approvals and conditions of the Offer

- 7.4.1 As on the date of this DPS, to the best of knowledge of the Acquirers, there are no statutory approvals required to acquire the equity shares tendered pursuant to this Offer. However, in case of any such statutory approvals are required by the Acquirers later before the expiry of the Tendering Period, this Offer shall be subject to such approvals and the Acquirers shall make the necessary applications for such statutory approval.
- 7.4.2 All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the Reserve Bank of India) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the Reserve Bank of India, 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 Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserves the right to reject such Offer Shares.
- 7.4.3 In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any wilful default or neglect of the Acquirers or the failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if a delay occurs on account of wilful default by the Acquirers in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
- 7.4.4 In terms of Regulation 23(1) of the SEBI (SAST) Regulations, if the approvals mentioned in Paragraph VII (A) are not satisfactorily complied with or any of the statutory approvals are refused, the Acquirers have a right to

withdraw the Offer. In the event of withdrawal, the Acquirers, through the Manager to the Offer, shall within 2 (Two) Working Days of such withdrawal, make an announcement stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, in the same newspapers in which the Detailed Public Statement was published, and such announcement will also be sent to SEBI, BSE Limited, and the Target Company at its registered office.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1. The Acquirers have appointed Purva Sharegistry (India) Private Limited, as the Registrar to the Offer, having office at Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai-400011, Maharashtra, India, with contact number: 022-31998810/ 49614132, Email: support@purvashare.com and website: www.purvashare.com. The Contact Person Ms. Deepali Dhuri can be contacted from 10:00 a.m. to 5:00 p.m. on working days (except Saturdays, Sundays and all public holidays), during the Tendering Period.

8.2. The Open Offer will be implemented by the Acquirers through stock exchange mechanism made available by the Stock Exchange in the form of separate window (“Acquisition Window”) as provided under the SEBI (SAST) Regulations and SEBI Master circular SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.

8.3. BSE shall be the designated stock exchange for the purpose of tendering Equity Shares in this Offer (“**Designated Stock Exchange**”).

8.4. The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to this Offer shall be available on the BSE, in the form of a separate window (“**Acquisition Window**”).

8.5. The Acquirers have appointed Nikunj Stock Brokers Limited (“**Buying Broker**”) through whom the purchases and settlements on account of this Offer would be made by the Acquirers. The contact details of the Buying Broker are as follows:

Name	Nikunj Stock Brokers Limited
Address	A-92, Ground Floor, Left Portion, Kamla Nagar, 110 007 New Delhi, India
Contact Details	+91-011-47030017 -18
Email Address	complianceofficer@nikunjonline.com
Contact Person	Mr. Anupam Suman
SEBI Regn No.	INZ000169335

8.6. All the Public Shareholders who desire to tender their Equity Shares under the Offer should consult with their depository participants and their respective stock brokers (“**Selling Broker(s)**”) well in advance to understand the process and methodology in relation to tendering of the Equity Shares through the Stock Exchange during the Tendering Period.

8.7. During the Tendering Period, the tender of the Equity Shares by the Public Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.

8.8. 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.

8.9. In the event the Shareholder Broker(s) of Public Shareholders is not registered with BSE, then the Public Shareholders can approach any BSE registered stock broker and can register themselves by using quick unique client code (“**UCC**”) facility through the BSE registered stock broker (after submitting all details as may be required by such BSE Registered stock broker in compliance with the applicable law). In case the Public Shareholders are unable to register using quick UCC facility through any other BSE registered stock broker, Public Shareholder may approach the Company’s Broker i.e., Nikunj Stock Brokers Limited, to place their bids

8.10. The cumulative quantity tendered shall be displayed on the stock exchange website (www.bseindia.com) throughout the trading session at specific intervals by the stock exchange during the Tendering Period.

8.11. The cumulative quantity tendered shall be displayed on the stock exchange website (www.bseindia.com) throughout the trading session at specific intervals by the stock exchange during the Tendering Period.

8.12. Procedure for Equity Shares held in physical form

8.12.1 As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI’s press release dated December 3, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 01, 2019. However, in accordance with the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023,

shareholders holding securities in physical form are allowed to tender shares in an Open Offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations.

- 8.12.2 The Public 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 Public 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 Acquirers;
 - d) Self-attested copy of the Shareholder's PAN Card (in case of joint holders, PAN card copy of all transferors);
 - 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 authorizations (including board resolution/ specimen signature) etc., in case of companies.
- 8.12.3 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.
- 8.12.4 Based on these documents, the Selling Broker(s) should place bids on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of BSE. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“TRS”) generated by the Stock Exchange bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, certificate number, distinctive number of Equity Shares tendered etc.
- 8.12.5 After placement of order, as mentioned in paragraph 8.12.4, the Selling Broker/Public Shareholders 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 8.12.2 either by registered post/speed post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page on or before the Offer Closing Date (by 5.00 p.m.)). The envelope should be superscribed as “*PH TRADING 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 in case of hand delivery.
- 8.12.6 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 Acquirers shall be subject to verification as per the SEBI (SAST) Regulations, 2011 and any further directions issued in this regard. Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the stock exchange shall display such bids as unconfirmed physical bids. Once, Registrar to the Offer confirms the bids it will be treated as “Confirmed Bids”.
- 8.12.7 The Registrar to the Offer will hold in trust the share certificate(s) and other documents (as mentioned in this paragraph 8.12.2 of this Draft Letter of Offer) until the Acquirers complete their obligations under the Open Offer in accordance with the SEBI (SAST) Regulations.
- 8.12.8 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.

8.13. Procedure for tendering the Equity Shares held in dematerialized form

- 8.13.1. The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Selling Broker/ Seller Member, indicating details of Equity Shares they wish to tender in this Offer.
 - 8.13.2. The Seller Member would be required to place a bid on behalf of the Public Shareholders who wish to tender their Equity Shares in this Offer using the Acquisition Window of the BSE Limited. Before placing the order/bid, the Selling Broker would be required to tender the Demat Shares by using the settlement number and the procedure prescribed by the Indian Clearing Corporation Limited (“Clearing Corporation”) and the lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation.
 - 8.13.3. Upon placing the order, the Selling Broker(s) shall provide Transaction Registration Slip (“TRS”) generated by the stock 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
 - 8.13.4. For Custodian Participant orders for Equity Shares in demat form, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to custodian again for confirmation.
 - 8.13.5. The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchange / Clearing Corporation, before the opening of the Offer.
 - 8.13.6. In case any person has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before the Offer Closing Date.
 - 8.13.7. Upon finalization of the entitlement, only accepted quantity of Equity Shares shall be debited from the demat account of the Public Shareholders and shall be transferred to Clearing Corporations. The lien marked against unaccepted shares shall be released post finalization of entitlement on settlement date.
 - 8.13.8. The Public 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. Further, Public Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of equity shares under the Open Offer.
 - 8.13.9. The Clearing Corporation will hold in trust the lien marked on the Offer Shares until the Acquirers complete their obligations under the Open Offer in accordance with the SEBI (SAST) Regulations.
 - 8.13.10. The Public Shareholders holding shares in Demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement, unless required by their respective Selling Broker.
- 8.14. **The Equity Shares and all other relevant documents should be sent to the Registrar to the Offer and not to the Acquirers or to PHTrading or to the Manager to the Offer.**
- 8.15. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance-cum-Acknowledgement.
- 8.16. Modification / cancellation of orders will not be allowed during the period the Offer is open.
- 8.17. **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 Public Shareholders of the Target Company as of the Identified Date.
- In case of non-receipt of the Letter of Offer, such Public 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. It may be noted that no indemnity is required from the unregistered shareholders.
- 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.
- The acceptance of the Offer made by the Acquirers is entirely at the discretion of the Shareholders of the Target Company. The Acquirers do not accept any responsibility for the decision of any Shareholder to either participate or to not participate in 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.

9. ACCEPTANCE OF EQUITY SHARES

- 9.1. The Registrar shall provide details of order acceptance to Clearing Corporation within the specified timelines.
- 9.2. 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. The marketable lot of PhTrading is 01 (One) Equity Share.

10. SETTLEMENT PROCESS AND PAYMENT OF CONSIDERATION

- 10.1 On closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation.
- 10.2 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 Equity Shares in favour of the Clearing Corporation.
- 10.3 The Acquirers shall pay the consideration payable towards purchase of the Offer Shares accepted under the Open Offer, to the Buying Broker who in turn will transfer the funds to the Clearing Corporation, on or before the pay-in date for settlement as per the secondary market mechanism. For the Offer Shares acquired in dematerialised form, the Public Shareholders will receive the consideration in their bank account attached to the depository account from the Clearing Corporation. If bank account details of any Public Shareholders are not available or if the fund transfer instruction is rejected by the Reserve Bank of India (“RBI”) or the relevant bank, due to any reason, then the amount payable to the relevant Public Shareholder will be transferred to the concerned Selling Broker for onward transfer to such Public Shareholder. For the Offer Shares acquired in physical form, the Clearing Corporation will release the funds to the Selling Broker as per the secondary market mechanism for onward transfer to Public Shareholders.

- 10.4 In case of certain client types *viz.* NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards.
- 10.5 The Public Shareholders will have to ensure that they keep the DP account active and unblocked so that lien can be released in case of rejection or non-acceptance of the shares under the Open Offer. The Public Shareholders holding Equity Shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes.
- 10.6 The Equity Shares acquired in dematerialised form would either be transferred directly to the account of the Acquirers provided it is indicated by the Buying Broker or it will be transferred by the Buying Broker to the account of the Acquirers on receipt of the Offer Shares pursuant to the clearing and settlement mechanism of BSE. Equity Shares acquired in physical form will be transferred directly to the Acquirers by the Registrar to the Offer.
- 10.7 Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the public shareholders. In case of unaccepted dematerialised Offer Shares, if any, tendered by the Public Shareholders, the lien marked against unaccepted offer shares shall be released by the Clearing Corporation, as part of the exchange pay-out process. Offer Shares tendered in physical form will be returned to the respective Public Shareholders directly by Registrar to the Offer.
- 10.8 The Seller Broker would issue a contract note and pay the consideration to the respective Public Shareholder whose Offer Shares are accepted under the Open Offer. The Buying Broker would also issue a contract note to the Acquirers for the Offer Shares accepted under the Open Offer.
- 10.9 The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form. Once the basis of acceptance is finalised, the lien marked against unaccepted shares shall be released.
- 10.10 Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by Speed / registered post back to the Public Shareholder(s) directly by Registrar to the Open Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by Speed / registered post at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.
- 10.11 Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirers and the Manager to the Open Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 10.12 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 Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 10.13 The Acquirers intend to complete all formalities, including the payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer, within a period of 10 (Ten) Working Days from the closure of the Tendering Period, and for this purpose, open a special account as provided under Regulation 21(1) of the SEBI (SAST) Regulations, 2011 and will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.

- 10.14 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations.

11. NOTE ON TAXATION

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.

- 11.1 Unless specifically exempted, 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, which are sold will be subject to long term capital gains tax and securities transaction tax ("STT"). 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. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold.

11.2 Tax deduction at source:

- a) 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 Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India
- b) In case of Non-Resident Shareholders, since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. The Acquirers believe that the responsibility of withholding/ discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.

- 11.3 Therefore, the Acquirers will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirers to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirers to the non-resident shareholders.

- 11.4 In the event the Acquirers are held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirers are entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirers, on demand, the relevant details in respect of the taxability/non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc

11.5 Remittance/Payment of Interest:

- a) In case of interest, if any, paid by the Acquirers to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011 or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirers depending on the settlement mechanism for such interest payments. In the event, the Acquirers decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirers. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorisation of the interest, whether as capital gains or as other income). In the event the Acquirers are held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirers should be indemnified.

- b) The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirers, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

11.6 **Rate of Surcharge and Cess:** As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable.

SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES. 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.

12. DOCUMENTS FOR INSPECTION

The copies of the following documents will be available for inspection at the corporate office of the Manager to the Offer, Bonanza Portfolio Limited, located at Bonanza House, Plot No. M-2, Cama Industrial Estate, Walbhat Road, behind the Hub, Goregaon (East), Mumbai - 400063 Maharashtra, India on any working day between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Tendering Period commencing from Monday, December 18, 2023 to Monday, January 01, 2024.

- 12.1. Memorandum and Articles of Association and Certificate of Incorporation of the Target Company.
- 12.2. Memorandum of Understanding between the Manager and the Acquirers.
- 12.3. Escrow Agreement between Acquirers, Escrow Bank, and Manager to the Offer
- 12.4. The copy of Agreement between the Registrar and the Acquirers.
- 12.5. Copy of Certificate dated October 23, 2023 from CA Chunduru Sudheer, (Membership No. 234229) proprietor at Chunduru Sudheer & Co. , Chartered Accountants, FRN: 019515S, certifying the net worth of Mr. Vanama Naveen Kumar and Vanama Sudhakar.
- 12.6. Audited Annual Reports for the last 3 (three) financial year ending March 31, 2023, March 31, 2022, and March 31, 2021, and unaudited financial results for the quarter ending June 30, 2023 of the Target Company.
- 12.7. Escrow Statement dated October 26, 2023 received from, IndusInd Bank Limited for required amount kept in the escrow Account.
- 12.8. The copy of Share Purchase Agreement dated Monday, October 23, 2023, entered between the Promoter Seller *i.e.* Santan Investment Advisory LLP and the Acquirers, which triggered this Offer.
- 12.9. Copy of the Public Announcement dated Monday, October 23, 2023.
- 12.10. Copy of the Detailed Public Statement dated Monday, October 30, 2023, published on behalf of the Acquirers on Tuesday, October 31 in the newspapers.
- 12.11. Undertaking from the Acquirers stating full responsibility for all information contained in the PA, DPS and the Draft Letter of Offer.
- 12.12. Copy of Certificate from CA Sudheer Chunduru (Membership No. 234229) proprietor at Sudheer Chunduru & Co., Chartered Accountant, FRN: 019515S, confirming that Acquirers have sufficient liquid resources to fulfil the obligations under the SEBI (SAST) Regulations.
- 12.13. Valuation Report from Mr. Rushabh Doshi, Registered Valuer (Registration No: IBBI/RV/03/2022/15050) dated October 23, 2023 regarding the Fair Valuation of the equity shares of PH Trading Limited.
- 12.14. Copy of the recommendations to be published on [●], by the Committee of Independent Directors of the Target Company.
- 12.15. Copy of SEBI Observation letter bearing reference number '[●]' dated [●].

13. DECLARATION BY THE ACQUIRERS

- 13.1 The Acquirers accept full responsibility, jointly and severally, for the information contained in this Draft Letter of Offer and also for the obligations of the Acquirers as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereof. The Acquirers are responsible for ensuring compliance with the SEBI (SAST) Regulations.
- 13.2 The information pertaining to the Target Company and/or Seller contained in the Public Announcement or the Detailed Public Statement or this Draft Letter of Offer has been obtained from publicly available sources or provided by the Target Company and/or the Seller, as the case may be, and the accuracy thereof has not been independently verified by the Acquirers or the Manager to the Offer. The Acquirers and the Manager to the Offer do not accept any responsibility with respect to such information relating to the Target Company and/or the Seller.
- 13.3 The information contained in this Draft Letter of Offer is as on the date of this Draft Letter of Offer, unless expressly stated otherwise.

Sd/-
Vanama Naveen Kumar
(Acquirer 1)

Sd/-
Vanama Sudhakar
(Acquirer 2)

Place : Mumbai

Date : November 07, 2023