

**PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF
HINDUSTAN EVEREST TOOLS LIMITED**

(Under Regulations 3(1), 4, 5(1) and 5(2) read with Regulation 13(2)(f), 14 and 15(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto as amended)

Open Offer for acquisition of up to 4,17,872 fully paid up Equity Shares representing 26.00% of the paid up Equity Share Capital (“Voting Share Capital”) of face value ₹ 10/- each at a price of ₹ 97/- (Rupees Ninety Seven only) aggregating to ₹ 4,05,33,584/- (Rupees Four Crores Five Lakh Thirty Three Thousand Five Hundred and Eighty Four only) from the public shareholders of Hindustan Everest Tools Limited (the “Target Company”/ “HETL”) by Algoquant Financials LLP (“Acquirer”) together with Mr. Dhruv Gupta (“PAC1”) and Mr. Devansh Gupta (“PAC2) (collectively referred to as “PACs”) as the persons acting in concert with the Acquirer (“Open Offer” or “Offer”).

This Public Announcement (“PA”) is being issued by Keynote Financial Services Limited, the Manager to the Offer (“Manager”), for and on behalf of Acquirer and the PACs to the equity shareholders of the Target Company excluding the promoters and members of the promoter group of the Target Company, the Acquirer, parties to the Share Purchase Agreement (“SPA” / “Agreement”) and any persons acting or deemed to be acting in concert with any of them, pursuant to and in compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“SEBI (SAST) Regulations”).

1. Offer Details

| | |
|------------------------------------|--|
| Offer Size | This offer is being made for acquisition of up to 4,17,872 equity shares of face value ₹ 10/- each, representing 26.00% of the Paid Up Equity Share Capital of the Target Company, as of the 10 th working day from the closure of the Tendering Period of the Offer, subject to the terms and conditions as mentioned in this PA, Detailed Public Statement (“DPS”) and the Letter of Offer (“LOF”) to be issued in accordance with the SEBI (SAST) Regulations. |
| Offer Price / Consideration | The offer price is ₹ 97/- (Rupees Ninety Seven only) per fully paid up equity share (“Offer Price”), which has been determined in accordance with Regulations 8(2) and 8(5) of the SEBI (SAST) Regulations. Assuming full acceptance in the Open Offer, the aggregate consideration payable by the Acquirer in accordance with the SEBI (SAST) Regulations will be ₹ 4,05,33,584/- (Rupees Four Crores Five Lakh Thirty Three Thousand Five Hundred and Eighty Four only). |
| Mode of Payment | The Offer Price is payable in cash by the Acquirer and /or PACs in accordance with the provision of regulation 9(1)(a) of the SEBI (SAST) Regulations. |
| Type of Offer | This is a mandatory open offer made by the Acquirer and the PACs in compliance with Regulations 3(1), 4, 5(1) and 5(2) of the SEBI (SAST) Regulations. This Offer is not subject to minimum level of acceptance. |

2. Transaction which has triggered the open offer obligations

- (a) The Acquirer has entered into a Share Purchase Agreement (“SPA”) dated October 24, 2020 with Shravan Kumar Mandelia, Bal Gopal Mandelia, Shravan Kumar Mandelia HUF, Bal Gopal Mandelia HUF (together hereafter referred to as “Sellers”) and Mandelia Investments Private Limited (the “MIPL”).
- (b) Pursuant to the said SPA, the Acquirer has agreed to acquire 100% of the issued equity share capital of MIPL. MIPL in turn holds 8,34,470 equity shares of the Target Company constituting 51.92% of its voting share capital.
- (c) Additionally, the Acquirer has also agreed to acquire 405 and 406 equity shares of Target Company held by Shravan Kumar Mandelia and Bal Gopal Mandelia, respectively, representing 0.02% and 0.03% of the paid-up share Capital of the Target Company.

- (d) Accordingly, pursuant to the above mentioned points, the Acquirer is entitled to: (i) indirectly exercise 51.92% of Voting Share Capital of the Target Company and directly exercise 0.05% of Voting Share Capital of the Target Company and (ii) exercise substantial control and management of the Target Company. (“**Underlying Transaction**”)

| Details of Underlying Transaction | | | | | | |
|--|--|---|---|--|--|--|
| Type of Transaction | Mode of Transaction | Equity Shares or Voting Rights acquired/ proposed to be acquired | | Total consideration for shares / Voting Rights (VR) acquired (₹) | Mode of Payment | Regulation which has triggered |
| | | Number | % vis a vis total equity / voting capital | | | |
| Indirect acquisition of the shares of the Target Company by the Acquirer pursuant to the Underlying Transaction. This indirect acquisition will be regarded as a deemed direct acquisition under Regulation 5(2) of SEBI (SAST) Regulations (“ Indirect Acquisition ”) | The Acquirer has entered into a SPA for the Underlying Transaction. Pursuant to the SPA, the Acquirer will, upon completion of the underlying transaction, exercise substantial control and management of the Target Company | Pursuant to the SPA, the Acquirer has agreed to acquire 100% of the shareholding of MIPL. The above will, inter alia, result in the indirect acquisition of 8,34,470 equity shares which are held by MIPL in the Target Company, constituting 51.92% of voting share capital. | | Not applicable as this is an indirect acquisition (*) | Not applicable as this is an indirect acquisition. | Regulation 3(1), 4, 5(1) and 5(2) of the SEBI (SAST) Regulations |
| Direct Acquisition | Share Purchase Agreement dated 24th October 2020 between the Acquirer and Shравan Kumar Mandelia and Bal Gopal Mandelia | 811 | 0.05 | 77,045.00 | Cash | N.A. |

**As per the SPA, the Acquirer has taken into account a per share price of ₹95/- for the acquisition of the shares of the Target Company for the underlying transaction.*

3. Acquirer(s)/PAC

| Details | Acquirer | PAC 1 | PAC 2 |
|---|--|--|---------------|
| Name of Acquirer(s)/PACs | Algoquant Financials LLP | Dhruv Gupta | Devansh Gupta |
| Address | Unit no. 503A, 5 th Floor, Tower A, World Trade Centre Block no. 51, Road 5E, Zone 5, Gift City, Gandhinagar, Gujarat | G-190, Preet Vihar, New Delhi – 110092 | |
| Name(s) of persons in control/promoters of acquirer/ PACs where Acquirer/PACs are companies | Designated Partners: a) Dhruv Gupta b) Devansh Gupta | N.A. | N.A. |
| Name of the Group, if any, to which the Acquirer/PACs belongs to | The Acquirer and PACs does not belong to any group | | |
| Pre-Transaction shareholding • Number % of total share capital | Nil | | |
| Proposed shareholding after the acquisition of shares which triggered the Open Offer (Including Open Offer shares assuming full acceptance) • Number % of total share capital | See Note Below | | |
| Any other interest in the Target Company | Nil | | |

Note:

Apart from the 811 equity shares (representing 0.05% of the voting share capital in the Target Company) to be acquired directly under the SPA the Acquirer has agreed to acquire 100% of the shareholding of MIPL. The above will, inter alia, result in the indirect acquisition of 8,34,470 equity shares which are held by MIPL in the Target Company, constituting 51.92% of voting share capital.

Collectively, on the completion of the underlying transaction as per the SPA and assuming successful completion of Open Offer of 26.00% (4,17,872 equity shares), the Acquirer and the PACs will hold 12,53,153 representing 77.97% of the total share capital in the Target Company.

4. Details of selling shareholders, if applicable

(a) Indirect Acquisition

Not Applicable - Pursuant to the SPA, the Acquirer has agreed to acquire 100% of the equity share capital of Mandelia Investments Private Limited. MIPL in turn holds 8,34,470 equity shares of the Target Company constituting 51.92% of its voting share capital. Thus, the Acquirer would be entitled to indirectly exercise 51.92% of Voting Share Capital of the Target Company.

(b) Direct Acquisition

| Sr. No. | Name | Part of promoter group (Yes/ No) | Details of shares/ voting rights held by the selling shareholders | | | |
|---------|------------------------|----------------------------------|---|-------------|------------------|-----|
| | | | Pre-Transaction | | Post Transaction | |
| | | | Number of shares | % | Number of shares | % |
| 1. | Shravan Kumar Mandelia | Yes | 405 | 0.025 | Nil | Nil |
| 2. | Bal Gopal Mandelia | Yes | 406 | 0.025 | Nil | Nil |
| | Total | | 811 | 0.05 | Nil | Nil |

5. Target Company

| | |
|-------------------------------|--|
| Name | Hindustan Everest Tools Limited |
| CIN | L74899DL1962PLC003634 |
| Registered Office | Dohil Chambers 4th Floor, 46 Nehru Place New Delhi -110019 |
| Exchanges where listed | BSE Limited (Scrip Code - 505725) |

6. Other details:

- 6.1. The details of the Open Offer would be published in the newspapers vide a Detailed Public Statement on or before **October 30, 2020** in compliance with Regulation 13(4) and Regulation 14(3) of the SEBI (SAST) Regulations, 2011.
- 6.2. The Acquirer and PACs jointly and severally undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations. The Acquirer and PACs have confirmed that they have adequate financial resources to meet the obligations under the Offer and have made firm financial arrangements for financing the acquisition of the Offer Shares, in terms of Regulation 25(1) of the SEBI SAST Regulations.
- 6.3. Completion of the Open Offer and the underlying transactions as envisaged under the SPA is subject to receipt of statutory approvals, if any, and satisfaction of the other condition's precedent set out in the DPS and the LOF.
- 6.4. This Public Announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 6.5. This Offer is not conditional upon any minimum level of acceptance as per Regulation 19 of the SEBI (SAST) Regulations.
- 6.6. All information stated in this Public Announcement relating to the Target Company has been obtained from publicly available sources.

6.7. The Acquirer and the PACs accept full responsibility for the information contained in the Public Announcement.

Issued by the Manager to the Open Offer

KEYNOTE

Keynote Financial Services Limited

(formerly Keynote Corporate Services Limited)

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Contact Person: Ms. Pooja Sanghvi/ Mr. Akhil Mohod

SEBI Registration No.: INM 000003606

For and on behalf of Algoquant Financials LLP (Acquirer)

| Designated Partners | |
|-----------------------------|------------------------------|
| Sd/- Dhruv Gupta (PAC 1) | Sd/- Devansh Gupta (PAC2) |

Place: Delhi

Date: October 24, 2020