

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

### FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated November 09, 2021 ("Letter of Offer"), which is available on the websites of the Lead Manager, Registrar, our Company and the stock exchange where the Equity Shares of our Company are listed, i.e., SME Platform of BSE Limited (the "Stock Exchange"). You are encouraged to read greater details available in the Letter of Offer. Capitalised terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

### THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Our Company has made available on the Lead Manager's website at [www.khambattasecurities.com](http://www.khambattasecurities.com), Registrar's website at [www.bigshareonline.com](http://www.bigshareonline.com) and the Company's website at [www.hkglimited.com](http://www.hkglimited.com), the Abridged Letter of Offer and the Application Form, to the Eligible Equity Shareholders who have provided an Indian address to the Company. You may also download the Letter of Offer from the websites of the Company, the Lead Manager, the Securities and Exchange Board of India ("SEBI"), the Stock Exchange and the Registrar, i.e., [www.hkglimited.com](http://www.hkglimited.com), [www.khambattasecurities.com](http://www.khambattasecurities.com), [www.sebi.gov.in](http://www.sebi.gov.in), [www.bseindia.com](http://www.bseindia.com), and [www.bigshareonline.com](http://www.bigshareonline.com) respectively and at the Registrar's web based application platform accessible at [www.bigshareonline.com](http://www.bigshareonline.com) ("B-WAP"). The Application Form is available on the website of our Company, the Stock Exchanges, and on the B-WAP.



### HKG LIMITED

**Registered Office:** C-Wing, Ground Floor and First Floor, Madhuban CHS Ltd, CTS No. 53, New Sai Baba Nagar, Opp. Dev Nagar, Kandivali West, Mumbai – 400 067, Maharashtra, India.

Tel: +91 84520 09432;

**E-mail:** [info@hkglimited.com](mailto:info@hkglimited.com); **Website:** [www.hkglimited.com](http://www.hkglimited.com);

**Contact Person:** Mr. Hardik Shah, Executive Director  
Corporate Identification Number: L51909MH2010PLC340313

### PROMOTERS OF OUR COMPANY: MR. YATIN BHUPENDRA SHAH AND HKG MONEY TECH PRIVATE LIMITED

#### ISSUE DETAILS, LISTING AND PROCEDURE

**ISSUE OF UP TO 1,75,00,000 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH OF OUR COMPANY (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 8.00 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 6.00 PER EQUITY SHARE) NOT EXCEEDING ₹ 14.00 CRORES\* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 1 EQUITY SHARE FOR EVERY 1 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS 15 NOVEMBER 2021 (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" BEGINNING ON PAGE 108.**

\*Assuming full subscription.

**Listing:** The existing Equity Shares are listed on SME Platform of BSE Limited ("BSE") (the "Stock Exchange"). Our Company has received 'in- principle' approvals from BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letters dated September 01, 2021. Our Company will also make application to the Stock Exchange to obtain trading approval for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020.

**Procedure:** If you wish to know about processes and procedures applicable to a rights issue, you may refer to the section titled "Terms of the Issue" on page 108 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, SEBI, BSE, Lead Manager, Registrar and on B-WAP, as stated above.

#### ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE SME. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clause 2 of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

#### MINIMUM SUBSCRIPTION

The objects of the Issue involve meeting working capital requirements and general corporate purposes. Further, our Promoters have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

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### INDICATIVE TIMETABLE

Issue Opening Date	Thursday, November 25, 2021	Date of Allotment/ Initiation of Refunds (on or about)	Monday, December 22, 2021
Last Date for On Market Renunciation#	Friday, December 03, 2021	Date of credit of Equity Shares to demat account of Allottees (on or about)	Wednesday, December 22, 2021
Issue Closing Date*	Friday, December 10, 2021	Date of listing / Commencement of trading of Equity Shares on the Stock Exchange (on or about)	Friday, December 24, 2021
Finalising the basis of allotment with the Designated Stock Exchange (on or about)	Tuesday, December 21, 2021		

# Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.

\* Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Letter of Offer. **Specific attention of the investors is invited to the section titled "Risk Factors" on page 20 of this Letter of Offer.**

<b>Name of the Lead Manager and contact details</b>	<b>KHAMBATTA SECURITIES LIMITED</b> 1, Ground, Floor, 7/10, Botawala Building, 9 Bank Street, Horniman Circle, Fort, Mumbai 400 001 <b>Telephone:</b> + 91 22 66413333/44/55/66; <b>Facsimile:</b> + 91 22 6641 3377 <b>E-mail:</b> <a href="mailto:admin@khambattasecurities.com">admin@khambattasecurities.com</a> ; <b>Website:</b> <a href="http://www.khambattasecurities.com">www.khambattasecurities.com</a> <b>Investor grievance:</b> <a href="mailto:mbcomplaints@khambattasecurities.com">mbcomplaints@khambattasecurities.com</a> <b>Contact Person:</b> Mr. Ronak Jhaveri/ Mr. Vinay Pareek <b>SEBI Registration Number:</b> INM 000011914 <b>Validity of Registration:</b> Permanent
<b>Name of the Registrar to the Issue and contact details</b>	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, India <b>Telephone:</b> +91 22 6263 8200; <b>E-mail:</b> <a href="mailto:rightsissue@bigshareonline.com">rightsissue@bigshareonline.com</a> ; <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact person:</b> Ashish Bhope <b>Investor grievance:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>CIN:</b> U99999MH1994PTC076534 <b>SEBI Registration No:</b> INR000001385 <b>Validity of Registration:</b> Permanent
<b>Name of the Statutory Auditors</b>	<b>MITTAL AGARWAL &amp; COMPANY</b> , Chartered Accountants
<b>Self-Certified Syndicate Banks ("SCSBs")</b>	The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.
<b>Banker to the Issue</b>	<b>AXIS BANK LIMITED</b> Shop No. 12 & 13, Snehdeep CHS Ltd, Near Waman Hari Pethe Jewellers M G, Road, Goregaon west Mumbai: 400062, Maharashtra, India <b>Telephone:</b> 9167006471 <b>E-mail:</b> <a href="mailto:goregaonwest.branchhead@axisbank.com">goregaonwest.branchhead@axisbank.com</a> ; <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>Contact Person:</b> Rajesh Khandelwal <b>SEBI Registration Number:</b> INBI00000017 <b>CIN:</b> L65110GJ1993PLC020769

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER****SUMMARY OF BUSINESS**

Our company has been involved in the business of trading of shares and securities and the majority of our revenue has been from the trading in shares and securities. After the acquisition of our company in 2019, we also started taking keen interest in the business of creating and managing various web portals in order to foray in e-commerce industry. We aspire to connect small businesses and empower them to grow through the use of our web interfaces and services. Our vision is to make web interface service accessible to every small business and enable them to grow manifold. For further details, please refer to the chapter titled “Our Business” at page 55.

**OBJECTS OF THE ISSUE****Requirement of Funds and utilisation of Net Proceeds**

The proposed utilization of the Net Proceeds by our Company is set forth in the table below:

Particulars	Amount (₹ in lakhs)*
To meet the Working Capital requirement of our Company	1,080.15
General Corporate Purposes	289.85
<b>Total net proceeds from the Issue</b>	<b>1370.00</b>

\*Assuming full subscription and Allotment of the Rights Equity Shares.

The total expenses of this Issue are estimated to be ₹ 30 lakhs.

**Means of finance**

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

**Deployment of funds**

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2021-22.

**Monitoring Agency**

As the net proceeds of the Issue shall not exceed ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

For more details, please refer to the chapter titled “Objects of the Issue” on page 42 of the Letter of Offer.

**EQUITY SHAREHOLDING PATTERN OF THE COMPANY AS ON DATE OF THE LETTER OF OFFER**

The statement of the shareholding pattern of our Company as on September 30, 2021, as included in the Letter of Offer is as follows:

Category of Shareholder	Pre-Issue number of Equity Shares held	Total as a % of Total Voting right
(A) Promoter & Promoter Group	51,90,000	29.66
(B) Public	1,23,10,000	70.34
<b>Grand Total</b>	<b>1,75,00,000</b>	<b>100.00</b>

For more details, please refer to the chapter titled “Capital Structure” on page 33 of the Letter of Offer.

**BOARD OF DIRECTORS**

S. No.	Name	Designation	Other Directorships
1.	Meet Paresh Shah	Managing Director	<ul style="list-style-type: none"> <li>Growthcap Trading LLP*</li> <li>*the LLP has a defaulting status as per MCA website</li> </ul>
2.	Hardik Manoj Shah	Executive Director	<ul style="list-style-type: none"> <li>Book Your Dealer Services Private Limited</li> <li>Katifes Capital Advisors LLP*</li> <li>*the LLP has a defaulting status as per MCA website.</li> </ul>
3.	Deependra Vedprakash Shukla	Non-Executive Non-Independent Director	NIL
4.	Advait Ramesh Koti	Non-Executive Non-Independent Director	NIL
5.	Shikha Mukesh Shah	Non-Executive Independent Director	NIL
6.	Hemang Hasmukhrai Shah	Non-Executive Independent Director	Nil

For more details, see the chapter titled “Our Management” on page 58 of the Letter of Offer.

**NEITHER OUR COMPANY NOR OUR PROMOTER OR ANY OF OUR DIRECTORS HAVE BEEN DECLARED AS A WILFUL DEFAULTER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY**

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### FINANCIAL INFORMATION

A summary of the restated financial information of our Company as at and for the period ending June 30, 2021 and Financial Years ending March 31, 2021, 2020 and 2019, is set out below:

(₹ In Lakhs)

S. No.	Particulars	June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
1.	Total Income from operations (net)	49.17	663.22	93.88	720.79
2.	Net Profit/(Loss) before Tax and extraordinary items	(10.13)	86.31	(188.46)	(91.35)
3.	Profit/(Loss) after Tax and extraordinary items	(10.13)	70.83	(188.85)	(90.40)
4.	Equity Share Capital	350.00	350.00	350.00	350.00
5.	Reserves and Surplus (excluding revaluation reserves)	(83.01)	(72.88)	(143.71)	45.14
6.	Net Worth	266.99	277.12	206.29	395.14
7.	Basic earnings per share	(0.06)	2.02	(5.40)	(2.58)
8.	Diluted earnings per share	(0.06)	2.02	(5.40)	(2.58)
9.	Net asset value per equity share (Shares of Rs.2 each)	1.53	7.92	5.89	11.29
10.	Return on Net Worth (RONW)	(3.79%)	25.56%	(91.55%)	(22.88%)

### INTERNAL RISK FACTORS

The below mentioned risks are the top five risk factors as per the Letter of Offer:

1. This Rights Issue is subject to the outcome of an outstanding appeal with Hon'ble Securities Appellate Tribunal for which our company has given an undertaking vide its letter dated 30th August 2021 addressed to BSE Ltd to not go ahead with this Rights Issue if the 'stay' on one of its Promoters is revoked by the Hon'ble Securities Appellate Tribunal.
2. Risks arising on account of COVID-19 can also threaten the safe operation of our office, loss of life, injuries and impact the well-being of our employees. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition.
3. The top-level management of the company is associated with the company from less than 2 years.
4. We have recently started foraying into the e-commerce market of India. Venturing into a new area could pose multiple risks such as operational risk, technology risk, financial risk, competitive risk and market risk.
5. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

For further details, see the section "Risk Factors" on page 20 of the Letter of Offer.

### SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

i) **Cases filed against our Company:**

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*\*To the extent quantifiable*

iii) **Cases filed by our Company:**

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

*\*To the extent quantifiable*

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### iii) Cases filed against our Promoter/ Director:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	01**	2.00**
Material civil litigations	Nil	Nil

\*\* There have been no past cases in which penalties have been imposed on the Company, the Promoters and Directors except the penalty imposed by SEBI on our Promoter Mr. Yatin B. Shah for Rs. 2,00,000 vide Adjudication Order bearing reference no. Order/VV/AA/2021-22/12081 dated 31st May 2021. Mr. Yatin Shah has paid the requisite penalty on 02nd June 2021 vide an Axis Bank cheque no. 208407. This was in the same matter in which Mr. Yatin B. Shah was debarred from accessing the capital markets for 2 years on which the Hon'ble Securities Appellate Tribunal while providing an interim relief has given a stay order. The matter is currently under the purview of Hon'ble Securities Appellate Tribunal.

There has been 1 instance of disciplinary action including penalty imposed by SEBI against our Promoter Mr. Yatin B. Shah as disclosed above. Other than this there has been no disciplinary action including penalty imposed by SEBI or Stock Exchanges against the Company, Directors and Promoters during the last 5 financial years.

For further details in relation to the pending litigation involving our Company, see section "Outstanding Litigation and Material Developments" on page 100 of the Letter of Offer.

### TERMS OF THE ISSUE

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address and the physical address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email and courier at least three days before the Issue Opening Date i.e. Thursday November 25, 2021. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form. Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non availability of the email addresses or physical addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at [www.hkglimited.com](http://www.hkglimited.com)
- b) the Lead Manager at [www.khambattasecurities.com](http://www.khambattasecurities.com)
- c) the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com)
- d) the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com); and
- e) the Registrar's web-based application platform at [www.bigshareonline.com](http://www.bigshareonline.com) (B-WAP)

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.bigshareonline.com](http://www.bigshareonline.com)) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., [www.hkglimited.com](http://www.hkglimited.com)). The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. Further, in accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date can apply through this Issue by first furnishing the details of their demat account along with their self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares at least two Working Days prior to the Issue Closing Date i.e. Friday, 10 December 2021 after which they can apply through ASBA facility only.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such

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SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on B-WAP and make online payment using the internet banking or UPI facility from their own bank account thereat. Please note that Applications made with payment using third party bank accounts are liable to be rejected. Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking or UPI details (in case of Application through B-WAP which is available only for resident Investors). Please note that Applications without depository account details shall be treated as incomplete and shall be rejected, except in case of Eligible Equity Shareholders who hold Equity Shares in physical form and are applying in this Issue in accordance with the SEBI Rights Issue Circulars through the optional mechanism i.e. B-WAP. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and B-WAP. Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “*Grounds for Technical Rejection*” on page 117 of the Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. The SCSBs shall accept such application forms only if all details required for making the application as per these regulations are specified in the plain paper application. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. If an investor makes an application both in an application form as well as on a plain paper, both applications are liable to be rejected. For details, see “Applications on Plain Paper under ASBA process” on page 113 of the Letter of Offer

### **Rights Entitlement Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 1(One) Rights Equity Share for every 1 (One) Equity Share held on the Record Date i.e. Monday, November 15, 2021.

### **Fractional Entitlements**

BSE in its in-principle approval has directed our company to ensure that the RE (Rights Entitlement) lots as well as the allotment of rights shares shall be in tradable lots (no odd lots) and necessary clarification shall be disclosed in the offer documents.

As the current lot size comprises of 2500 Shares in, the Rights Entitlements will be credited to the shareholders in multiples of 2500 Shares and the participation by shareholders in the Rights Issue will also be in multiples of 2500 Shares. Entitlements that are not in the multiple of 2500 Shares will be treated as fractional entitlements. Such fractional entitlements will not be credited to the Shareholders’ accounts and the option of trading of fractional entitlements will also not be allowed by the Stock Exchanges. Accordingly, off-line transfers will not be permitted.

For ease of reference and understanding, considering that the ratio of one Lot for every One Lot held by the Eligible Shareholders will be offered on a rights basis, the detailed description of the fractional entitlement and the basis of allotment are provided below:

The Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of one Lot for every one Lot held as on the Record Date. Fractional entitlements of the Rights Entitlement will be credited to a suspense account. Accordingly, if the holding of any of the Eligible Shareholders is less than one Lot or is not in the multiple of one Lot, the fractional entitlements of such Eligible Shareholders shall be ignored.

However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional lot if they apply for additional Lot in the Issue over and above their Rights Entitlements, if any, subject to availability of lots in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Shareholders holding less than One Lot shall have ‘zero’ entitlement for the lots. Such Eligible Shareholders are entitled to apply for additional lots in the Issue and will be given preference in the Allotment of one Lot, if such Eligible Shareholders apply for additional lots in the Issue, subject to availability of lots in this Issue post allocation. Allotment to those Eligible Shareholders holding fractional entitlement will be given preference basis their fractional holding, provided there is an undersubscribed portion.

**For off-market transfers, investors are advised to transfer Shares in multiple of 2500 Shares only.**

### **Procedure for Renunciation of Rights Entitlements**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off - market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/ lying in his/her own demat account prior to the renunciation.

**IN ACCORDANCE WITH THE SEBI CIRCULAR SEBI/HO/CFD/DIL2/CIR/P/2020/13 DATED JANUARY 22, 2020, THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE SHALL BE REQUIRED TO PROVIDE THEIR DEMAT ACCOUNT DETAILS TO OUR COMPANY OR THE REGISTRAR TO THE ISSUE FOR CREDIT OF RIGHTS ENTITLEMENTS NOT LATER THAN TWO WORKING DAYS PRIOR TO ISSUE CLOSING DATE, SUCH THAT CREDIT OF RIGHTS ENTITLEMENTS IN THEIR DEMAT ACCOUNT TAKES PLACE AT LEAST ONE DAY BEFORE ISSUE CLOSING DATE, THEREBY ENABLING THEM TO RENOUNCE THEIR RIGHTS ENTITLEMENTS THROUGH OFF MARKET RENUNCIATION.**

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Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

### (a) *On Market Renunciation*

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE904R20019 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time. The Rights Entitlements are tradable in dematerialized form only. **The market lot for trading of Rights Entitlements is 2,500 Rights Entitlements.**

**The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from 25<sup>th</sup> November 2021 to 03<sup>rd</sup> December 2021 (both days inclusive).** The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE904R20019 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account. The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI

### (b) *Off Market Renunciation*

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date i.e., Friday, December 10, 2021.

**The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE904R20019, the details of the buyer and the details of the Rights Entitlements they intend to transfer.** The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

**INVESTORS TO KINDLY NOTE THAT AFTER PURCHASING THE RIGHTS ENTITLEMENTS THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, AN APPLICATION HAS TO BE MADE FOR SUBSCRIBING THE SHARES OFFERED UNDER RIGHTS ISSUE. IF NO APPLICATION IS MADE BY THE PURCHASER OF RIGHTS ENTITLEMENTS ON OR BEFORE ISSUE CLOSING DATE THEN SUCH RES WILL GET LAPSED AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. NO SHARES FOR SUCH LAPSED RES WILL BE CREDITED, EVEN IF SUCH RES WERE PURCHASED FROM MARKET AND PURCHASER WILL LOSE THE AMOUNT PAID TO ACQUIRE THE RES. PERSONS WHO HAVE BOUGHT RIGHTS ENTITLEMENTS, SHALL REQUIRE TO MAKE AN APPLICATION AND APPLY FOR SHARES OFFERED UNDER RIGHTS ISSUE, IF THEY WANT TO SUBSCRIBE TO THE SHARES OFFERED UNDER RIGHTS ISSUE.**

**FOR PROCEDURE OF APPLICATION BY SHAREHOLDERS WHO HAVE PURCHASED THE RIGHT ENTITLEMENT THROUGH ON MARKET RENUNCIATION / OFF MARKET RENUNCIATION, PLEASE REFER TO THE HEADING TITLED "PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS" ON PAGE 110 OF THE LETTER OF OFFER AND PAGE 10 OF THIS ABRIDGED LETTER OF OFFER. FURTHER, PLEASE NOTE THAT SHAREHOLDERS WHO RECEIVE THE RENOUNCED EQUITY SHARES OFFERED IN THIS ISSUE SHALL NOT BE CONSIDERED AS ORIGINAL SHAREHOLDERS AND SHALL NOT BE ELIGIBLE TO APPLY THROUGH B-WAP. APPLICATIONS MADE BY SUCH SHAREHOLDERS THROUGH B-WAP ARE LIABLE TO BE REJECTED.**

### **Options available to the Eligible Equity Shareholders**

Details of each Eligible Equity Shareholders RE will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com) and link of the same would also be available on the website of our Company at ([www.hkglimited.com](http://www.hkglimited.com)). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to:

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;

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- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e., Friday, 10 December 2021, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode only. Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 114 of the Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares. Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialised Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process or using B-WAP. In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. December 10, 2021, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode or B-WAP. Such resident Eligible Equity Shareholders must check the procedure for Application in “*Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form*” on page 114.

### **Intention and extent of participation by our Promoters and Promoter Group in the Issue:**

Our Promoters and Promoter Group through their letter dated 30 June 2021 (the “Subscription Letter”) have undertaken that they will subscribe to the full extent of their Rights Entitlements and that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group) subject to the aggregate shareholding of our Promoters and Promoter Group being compliant with the minimum public shareholding requirements under the SCRR and the SEBI Listing Regulations. Such acquisition of additional Rights Equity Shares is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. The additional subscription by the promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in Regulation 38 of the LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

### **ANY OTHER IMPORTANT INFORMATION AS PER THE COMPANY**

#### *Dispatch and availability of Issue materials:*

In accordance with the SEBI ICDR Regulations, SEBI circulars SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and the MCA Circular, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material, through email to the email addresses and physical delivery through courier to all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. The Letter of Offer will be provided, only through email or courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their addresses to our Company. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at [www.hkglimited.com](http://www.hkglimited.com)
- b) the Lead Manger at [www.khambattasecurities.com](http://www.khambattasecurities.com)
- c) the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com)
- d) the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com); and
- e) the Registrar’s web-based application platform B-WAP

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., [www.hkglimited.com](http://www.hkglimited.com)).

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form. Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date i.e. Monday, November 15, 2021, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.



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### *Facilities for Application in this Issue:*

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/ HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021 (Collectively hereafter referred to as “**SEBI Rights Issue Circulars**”) and SEBI circular SEBI/CFD/DIL/ ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular, bearing reference number SEBI/ HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (Collectively hereafter referred to as “**ASBA Circulars**”), all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., B-WAP (only for Original Shareholders). Original Shareholders shall mean the Resident Shareholders who are holding the Equity Shares of our Company as on the Record Date i.e. Monday, November 15, 2021, (hereinafter referred to as the “**Original Shareholders**”). However, the Shareholders who receive the renounced Equity Shares offered in this Issue shall not be considered as Original Shareholders and shall not be eligible to apply through B-WAP. Further, Investors holding Equity Shares in physical form as on the Record Date shall also not be able to subscribe to the Issue through B-WAP and therefore, will have to apply through ASBA facility only. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using optional mechanism. For details, see “*Procedure for Application through the ASBA Process*” and “*Procedure for Application through B-WAP*” on page 110 and 111 respectively of the Letter of Offer.

For guidance on the Application process through B-WAP and resolution of difficulties faced by the Investors, the Investors are advised to carefully read the frequently asked questions, visit the online/ electronic dedicated investor helpdesk on the website of the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com) or call helpline number (+91 22 6263 8200). For details, see “*Procedure for Application through B-WAP*” on page 111 of the Letter of Offer.

### *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “M/S. HKG LIMITED - UNCLAIMED SECURITIES SUSPENSE ACCOUNT”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or or (d) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date i.e. November 15, 2021 are requested to provide relevant details (such as copies of self-attested PAN and details of address proof) by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares not later than two Working Days prior to the Issue Closing Date i.e. Friday, 10 December 2021 in order to be eligible to apply for this Issue. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. Friday, 10 December 2021, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

### *Application by Eligible Equity Shareholders holding Equity Shares in physical form:*

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on the Record Date are required to furnish the details of their demat account along with copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares at least two Working Days prior to the Issue Closing Date i.e. Friday, 10 December 2021, after which they can apply through ASBA facility only. Kindly note that the Equity Shareholder holding Equity Shares in physical form cannot apply through the B-WAP facility.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 114 of the Letter of Offer.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing the Rights Equity Shares. If no application is made by the purchaser of Rights Entitlements on or before Issue Closing Date then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the rights entitlements. For procedure of Application by shareholders who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled “*Procedure for Application through the ASBA process*” on page 111 of the Letter Of Offer.

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### *Other important links and helpline:*

The Investors can visit following links for the below-mentioned purposes:

- a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [www.bigshareonline.com](http://www.bigshareonline.com)
- b) Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: [www.bigshareonline.com](http://www.bigshareonline.com)
- c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.bigshareonline.com](http://www.bigshareonline.com)
- d) Request Letter to be sent by the non-resident Eligible Equity Shareholders to the Registrar at their email id: [rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com) for updating their Indian address. The Request Letter should be accompanied by their PAN card and Address proof. Kindly note that the non-resident Equity Shareholders who do not have an Indian address are no eligible to apply for this Issue.

**INVESTORS TO KINDLY NOTE THAT THE RIGHT ENTITLEMENTS WOULD TRADE UNDER THE FOLLOWING ISIN: ISIN INE904R20019. THIS ISIN IS DIFFERENT FROM THE ISIN UNDER WHICH THE EQUITY SHARES OF OUR COMPANY TRADE ON THE PLATFORM OF THE STOCK EXCHANGES. INVESTORS ARE REQUESTED TO QUOTE THE ISIN: ISIN INE904R20019 WHILE TRADING THE RIGHT ENTITLEMENTS.**

### **Procedure for Application through the ASBA process**

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

### **Self-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

### **Procedure for Application through B-WAP**

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, a separate web based application platform, i.e., the B-WAP facility (accessible at [www.bigshareonline.com](http://www.bigshareonline.com)), has been instituted for making an Application in this Issue by resident Original Shareholder. Further, B-WAP is only an additional option and not a replacement of the ASBA process. At the B-WAP, resident Investors can access and submit the online Application Form in electronic mode using the B-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat. Kindly note that the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date can apply through ASBA facility only.

### **Applications on Plain Paper under ASBA process**

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed “**HKG Limited – Rights Issue**” and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with our Company/Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date i.e. Friday, 10 December 2021 and should contain the following particulars:

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. Eligible Equity Shareholders may make an Application to subscribe to the Issue on plain paper, along with an account payee cheque or demand draft drawn at par, net of bank and postal charges, payable at Mumbai and the Investor should send such plain paper Application by registered post directly to the Registrar to the Issue. For details of the mode of payment, see “*Mode of Payment for Resident Investor*” and “*Mode of payment for Non-Resident Investors*” on page 124 of the Letter of Offer.

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### PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH B-WAP

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- Name of our Issuer, being HKG Limited;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹8/- per Rights Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
- Additionally, all such Applicants are deemed to have accepted the following:

Kindly note that as per Regulation 78 (1) of the SEBI ICDR Regulations, the SCSBs shall accept plain paper application forms only if all details required for making the application as mentioned above and as prescribed in these regulations are specified in the plain paper application.

*"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended ("US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof ("United States") or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act ("Regulation S"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction. "I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.*

*I/We acknowledge that the Company will rely upon the truth and accuracy of the foregoing representations and agreements."*

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

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Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.bigshareonline.com](http://www.bigshareonline.com). Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date i.e. Friday, 10 December 2021.

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICES/ REFUND ORDERS" ON PAGE 129.**

### **Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company, in the manner provided on the website of the Registrar to the Issue at [www.bigshareonline.com](http://www.bigshareonline.com) at least two Working Days prior to the Issue Closing Date i.e. Friday, 10 December 2021. They may also communicate with the Registrar with the help of the helpline number (+91 22 6263 8200) and their email address ([rightsissue@bigshareonline.com](mailto:rightsissue@bigshareonline.com)).

In accordance with the SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. Friday, 10 December 2021, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

### **Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and have furnished the details of their demat account to the Registrar or our Company, in the manner provided above, at least two Working Days prior to the Issue Closing Date i.e. Friday, 10 December 2021, shall apply to this Issue through ASBA mode only. For details, see "Procedure for Application through the ASBA Process" on page 170 of the Letter of Offer. Eligible Equity Shareholders holding Equity Shares in physical form cannot apply through the optional mechanism i.e. B-WAP and any Applications received under the said mechanism are liable to be rejected.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.bigshareonline.com](http://www.bigshareonline.com)) by entering Folio Number. The link for the same shall also be available on the website of our Company (i.e., [www.hkglimited.com](http://www.hkglimited.com));

**PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE I.E. FRIDAY, 10 DECEMBER 2021, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

Allotment of the Rights Equity Shares in Dematerialized Form

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE. FOR DETAILS, SEE "ALLOTMENT ADVICES" ON PAGE 131 OF THE LETTER OF OFFER.**

### **DECLARATION BY OUR COMPANY**

We hereby declare that all relevant provisions of the Companies Act and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in the Letter of Offer are true and correct.

Place: Mumbai

Date: November 09, 2021