

FOR ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated March 16, 2017 (“Letter of Offer”). You are encouraged to read greater details available in the Letter of Offer. Terms not 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.

The Company has dispatched hard copy of the Abridged Letter of Offer alongwith the Composite Application Form to the Eligible Equity Shareholders at Indian address registered with their depository. You may also download the Letter of Offer from the website of SEBI, the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited and the National Stock Exchange of India Limited and the website of the Lead Manager to the Issue i.e. Keynote Corporate Services Limited at www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.keynoteindia.net, respectively.

KINGFA

KINGFA SCIENCE & TECHNOLOGY (INDIA) LIMITED

Registered Office: Dhun Building, III Floor, 827, Anna Salai, Chennai – 600 002

Tel: +91-44-28521736; Fax: +91-44-28520420

Contact Person: Mr. Nirnoy Sur, Company Secretary and Compliance Officer

E-mail: rights@kingfaindia.com; Website: www.kingfaindia.com; CIN: L25209TN1983PLC010438

PROMOTER OF THE COMPANY: KINGFA SCI. & TECH. CO. LIMITED (‘KINGFA CHINA’)

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF 19,99,893 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 750/- (INCLUDING PREMIUM OF ₹ 740/- PER EQUITY SHARE) FOR AN AMOUNT AGGREGATING UPTO ₹ 14999.20 LACS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF KINGFA SCIENCE & TECHNOLOGY (INDIA) LIMITED (“THE COMPANY” OR THE “ISSUER”) IN THE RATIO OF 18 EQUITY SHARES FOR EVERY 91 FULLY PAID-UP EQUITY SHARES HELD (I.E., 18:91) BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, I.E; ON MARCH 10, 2017, (THE “ISSUE”).

The existing equity shares of our Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). We have received “in-principle” approval from BSE and NSE for listing the equity shares arising from the present Rights Issue vide their letter dated December 21, 2016 and December 26, 2016, respectively. For the purposes of the Rights Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to rights issues, you may refer section titled “Terms of the Issue” on page 119 of the Letter of Offer. You may also download the Letter of Offer from the websites of SEBI, the Stock Exchanges and the Lead Manager to the Issue i.e. Keynote Corporate Services Limited at www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.keynoteindia.net, respectively. You can also request the Lead Manager to the Issue or BSE Limited or the National Stock Exchange of India Limited to provide a hard copy of Letter of Offer. Please note that in terms of Regulation 61(3) SEBI ICDR Regulation, the Lead Managers and Stock Exchanges may charge a reasonable amount for providing hard copy of the Letter of Offer.

ELIGIBILITY FOR THE ISSUE - Regulation 26(1)/26(2) of SEBI (ICDR) Regulations, 2009

Our Company is eligible to undertake the Issue in terms of Chapter IV and to make disclosure as per clause (5) Part E of Schedule VIII of the SEBI ICDR Regulations.

Whether the company is compulsorily required to allot at least 75% of the net offer to public, qualified institutional buyers - Not Applicable, being a rights issue of equity shares.

INDICATIVE TIMETABLE

| | | | |
|--|------------------------|---|---------------------------|
| Issue Opening Date | Monday, March 27, 2017 | Finalisation of basis of allotment with the Designated Stock Exchange (on or about) | Thursday, April 20, 2017 |
| Last Date for receipt of request for Split Application Forms | Monday, April 03, 2017 | Initiation of Refunds (on or about) | Friday, April 21, 2017 |
| Issue Closing Date | Monday, April 10, 2017 | Credit of Rights Issue Equity Shares to demat accounts of Allotees (on or about) | Friday, April 21, 2017 |
| Commencement of trading of Rights Issue Equity Shares on the Stock Exchanges (on or about) | | | Wednesday, April 26, 2017 |

The above time table is indicative and does not constitute any obligation on the Company or the Lead Manager.

GENERAL RISKS

Investment 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 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 the Issuer and the Issue including the risks involved. The securities being offered 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 Letter of Offer. Investors are advised to refer to the section “Risk Factors” on page 9 of the Letter of Offer and on page 5 of the Abridged Letter of Offer before making an investment in this Issue.

Price information of Lead Manager to the Issue: Not Applicable, being a rights issue.

| | |
|---|---|
| Name of Lead Manager and contact details | Keynote Corporate Services Limited The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (W), Mumbai – 400028 Tel: +91-22- 30266000-3 Fax: +91-22- 30266088 E-mail: mbd@keynoteindia.net Website: www.keynoteindia.net SEBI Registration No.: INM 000003606 Contact Person: Mr. Janardhan Wagle/ Ms. Pooja Sanghvi |
| Name of Syndicate Member | Not Applicable, being a rights issue |
| Name of Registrar to the Issue and contact details | Integrated Registry Management Services Private Limited 2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017. Tel: +91-44- 28140801-3; Fax: +91-44- 28142479; E-mail: yuvraj@integratedindia.in; Website: www.integratedindia.in; SEBI Registration Number: INR000000544 Contact Person: Mr. S Yuvaraj; |
| Name of Statutory Auditor | Ms. P. Srinivasan & Co., Chartered Accountants |
| Name of Credit Rating Agency and the rating or grading obtained, if any | Not Applicable, being a rights issue |
| Name of Debenture trustee, if any | Not Applicable, being a rights issue |
| Self-Certified Syndicate Banks | The list of banks is available on http://www.sebi.gov.in |
| Banker to the Issue | IndusInd Bank Limited PNA House, 4th Floor, Plot No. 57 & 57/1, Road No. 17, Near SRL, MIDC, Andheri (E), Mumbai- 400093. Tel: +91-22-6106 9234; Fax: +91-22- 61069315; Website: www.indusind.com E-mail: suresh.esaki@indusind.com; Contact Person: Mr. Suresh Esaki |
| Non Syndicate Registered Brokers | Not Applicable, being a rights issue |
| Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable) | Not Applicable, being a rights issue |

PROMOTERS OF THE COMPANY

Kingfa Sci. & Tech. Co. Limited ('Kingfa China') is the promotor of the Company.

Brief profile of promoter and disclosure relating to group companies: Since this is a Rights Issue pursuant to Part E of Schedule VIII of SEBI (ICDR) Regulations, the disclosures relating to brief profile of Promoters and disclosures relating to group companies are not applicable.

BUSINESS OVERVIEW

Our Company is engaged in the manufacturing and supply of custom tailored high quality Modified Engineering thermoplastics based on Polypropylene (PP), Polybutylene terephthalate (PBT), Polyamide (PA) and Thermoplastics Elastomers. We presently operate through our three manufacturing units situated at Puducherry, Pune and Manesar (Gurgaon). The units have a combined manufacturing capacity of 40,200 TPA. Our Company is a TS-16949, ISO 14001 and OHSAS 18001 Certified company employing over 160 personnel. Our grades are specified and approved by major Global Automotive manufacturers like Ford, General Motors, VW, Renault Nissan, Tata, M&M etc. Post acquisition of our company by Kingfa Sci. & Tech. Co., Ltd. ('Kingfa China'), the Company has further commenced manufacturing of Engineering Plastics like PBT (Used in Lighting, electrical applications), Polyamides (automotive, Electrical applications) at its facility in Jejuri, Pune.

Our Business Strategy

We are into the business of manufacturing and supply of high quality custom tailored Engineering thermoplastics based on Polypropylene (PP), Polybutylene terephthalate (PBT), Polyamide (PA) and Thermoplastics Elastomers. Although we currently supply to various industry segments, about 88% of our revenue comes from the Automotive industry.

Going forward, we want to focus on increasing our exposure and revenue contribution from industries other than the Automotive industry. Our focus would be directed towards segments which are poised to grow at higher rates. LED lightings, appliances (front loading washing machines), air conditioners, water heaters, electronic chargers, telecom are a few industry segments where we have started making progress already. With wider industry reach and exposure we would be able to mitigate any risk associated with dependency on single industry segment.

BOARD OF DIRECTORS

| Sl. No. | Name | Designation | Experience |
|---------|-------------------------------|------------------------------------|--|
| 1 | Mr. BO Jingen | Chairman & Managing Director | He hold Master's Degree in Polymer Science. He has been working for Kingfa Sci & Tech Co Ltd in Marketing and Sales for 7 years and he was nominated by the promoter of our company as Managing Director in the Company. He is presently incharge of overall operations of our Company. |
| 2 | Mr. Xiaohui Wu | Whole-time Director | He holds Master's Degree in Applied Chemistry. He has been working as Technical Engineer and became the Technical Manager of our promoter company's Shanghai factory for 10 years as an automotive specialist. He was nominated by the promoter of our company as Whole-time Director who is presently in-charge of product development and sourcing for our Company. |
| 3 | Mr. Nurani Krishnan Ramaswamy | Whole-time Director | He joined our Company as the Chief Executive Officer since May 04, 2009. Prior to joining our Company he was with SABIC Innovative Plastics (Earlier known as GE Plastics). He is responsible for new project implementation, overall operations and the strategic marketing of our companys products. He has a total work experience of around 30 years. |
| 4 | Mr. N Subramanian | Non-executive Independent Director | He is a Chartered Accountant by Profession having rich experience in Accounts, Finance, Audit, Taxation and Corporate law matters for over 20 years. He is currently a partner of Vivekandan & Associates. Prior to commencing practice independently, he has been working in Corporate Sector for 11 years. |
| 5 | Mr. Dilip Kulkarni | Non-executive Independent Director | He has professional membership certificates of the Institute of Internal Auditors Inc., USA, and Institute of Management Consultants of India. He has over 37 years of experience in senior positions in Manufacturing and Consultancy services sector. He had been a guest faculty/speaker in Management Development Seminars/Conferences for many reputed organizations such as Onward Technologies Ltd., MTDC, Rotary (South Mumbai), N. M. University. He was a Director – designate with MVIRDC-World Trade Center, Mumbai. |

| Sl. No. | Name | Designation | Experience |
|---------|--------------------------|-------------------------------------|--|
| 6 | Ms. Nilima Ramrao Shinde | Non- executive Independent Director | She Holds an LLB degree from Symbiosis Society's Law College Pune and has 26 years of experience in the Legal Field, with 7.5 years private practice experience and thereafter employed with Thyssen Kurpp, Bharat Forge Limited and Thermax Limited, where she was heading the Legal function, and managing a team of Lawyers |

OBJECTS OF THE ISSUE

The fund requirements for each of the objects of the Issue are stated as follows:

| Sr. No. | Objects of the Issue | Total Amount (₹ in lacs) | Amount deployed till February 28, 2017* | Amount to be financed from Net Proceeds | Estimated Net Proceeds Utilization in | | |
|---------|---|--------------------------|---|---|---------------------------------------|-----------------|----------------|
| | | | | | Fiscal 2016-17 | Fiscal 2017-18 | Fiscal 2018-19 |
| 1. | Setting up of a new facility at Chakan, Pune | 8703.15 | 5.58 | 8703.15 | 100.00 | 7629.30 | 973.85 |
| 2. | Upgradation of Research & Development facility at the existing set-up at Puducherry | 956.00 | - | 956.00 | 75.00 | 881.00 | - |
| 3. | Expansion of facility at the existing set-up at Puducherry and Manesar | 1078.00 | 594.99 | 1078.00 | 725.00 | 352.55 | 0.45 |
| 4. | Meet the additional working capital requirement | 4196.05 | - | 4196.05 | - | 4196.05 | - |
| 5. | Expenses to the Issue | 66.00 | 16.89 | 66.00 | 30.00 | 36.00 | - |
| | Total | 14999.20 | 617.46 | 14999.20 | 930.00 | 13094.90 | 974.30 |

* Presently the Company has deployed the funds on the objects of the Rights Issue from Internal Accruals which would be replenished by proceeds of the Rights Issue.

Details & reasons for non deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past right issue if any, of the Company in the preceding 10 years – During the year 2015, our Company issued 37,03,364 equity shares of ₹10/- on Rights basis to the existing equity shareholders of the Company in the ratio of 578 equity shares for every 1000 fully paid-up Equity shares held (i.e., 578:1000) at a premium of ₹ 260/- per equity shares, aggregating to ₹ 9999.08 lacs. There had been a change in the objects of the issue and our Company had sought and obtained necessary approvals from the shareholders for variation in the 'Objects of the Issue' as mentioned in the previous Offer Document, vide Resolution dated December 15, 2015. Comparison of the proposed 'Objects of the Issue' as mentioned in the Letter of Offer issued at the time of previous Rights Issue held during September 2015 viz a viz utilization of funds, post variation in the 'Objects of the Issue' is as detailed below:

| Proposed | | Actual utilisation of funds | |
|---|---------------------|---|---------------------|
| Object of Issue as mentioned in the Letter of Offer | Amount (Rs in Lacs) | Objects of the Issue, post variation | Amount (Rs in Lacs) |
| Repayment of short term loans | 5,400.00 | Repayment of short term loans | 5,400.00 |
| Setting up of additional facilities at the existing facilities at Pune and Puducherry | 4,554.46 | Deployed towards plant & machinery | 600.00 |
| | | Payment of lease premium for acquisition of land admeasuring 1,20,000 sq. mts at Chakan Industrial Area, Village –Vasuli Tal-Khed, District-Pune. | 3,990 |
| Issue Expenses | 68.50 | Issue Expenses | 58.70 |
| Total | 10,022.96 | Total | 10,048.70 |

The means of finance for the above mentioned Objects of the Issue included ₹ 9999.08 lacs being raised through the Rights Issue and the balance amount being funded through internal accruals.

Monitoring agency

Since the Issue size does not exceed ₹ 50,000 Lacs, the appointment of a monitoring agency as per Regulation 16(1) of the SEBI Regulations is not required.

Terms of Issuance of Convertible Security, if any

Not Applicable.

SHAREHOLDING PATTERN AS ON DECEMBER 31, 2016

| Sl. No. | Particulars | Pre Issue number of shares | % Holding of Pre issue |
|---------|---------------------------|----------------------------|------------------------|
| 1. | Promoter & Promoter Group | 75,82,340 | 74.99 |
| 2. | Public | 25,28,228 | 25.01 |
| | Total | 1,01,10,568 | 100.00 |

Number/ amount of Equity Shares proposed to be sold by selling shareholders – Not Applicable, being a rights issue.

AUDITED FINANCIALS***Standalone***(₹ in Lakhs)*

| Particulars | Period ended 30th September 2016 | Year ended 31st March 2016 |
|--|----------------------------------|----------------------------|
| Total income from operations (net) | 20,010.73 | 31,416.81 |
| Net Profit / (Loss) before tax and extraordinary items | 1,019.24 | 1,738.38 |
| Net Profit / (Loss) after tax and extraordinary items | 674.37 | 1,079.95 |
| Equity Share Capital | 1,011.06 | 1,011.06 |
| Reserves and Surplus | 11,606.05 | 10,931.68 |
| Net worth | 12,617.11 | 11,942.74 |
| Basic and Diluted earnings per share (₹) | 6.67 | 13.55 |
| Return on net worth (%) (after excluding revaluation reserves and extra-ordinary items) | 5.34 | 9.04 |
| Net asset value per share (₹) (after excluding revaluation reserves) | 124.79 | 118.12 |

Consolidated - Not Applicable (Since there is no subsidiary of the Company)* **Restated Audited Financials** - Not Applicable, being a rights issue eligible under the clause (5) Part E of Schedule VIII of the SEBI ICDR Regulations.**INTERNAL RISK FACTORS - Top 5 Risk Factors as per the Letter of Offer**

- Our Company is currently involved in certain litigations/disputes and any adverse decision in such proceedings may have a material adverse effect on the financial condition**
- Contingent liabilities, not provided for, could affect our financial condition. In the event, any of the contingent liability materialise it may have an effect on our financial condition and future financial performance.**
- Our Company has experienced negative cash flows. Any negative cash flow in future could adversely effect our companies result of operation and financial condition.**
- The unsecured loan availed by our Company from our promoter, repayable over a period of 7 ½ years, may be recalled at any given point of time which may effect the operation of our Company adversely.**
- We are dependent on our promoter Kingfa Sci. &Tech. Co. Ltd., (Kingfa China) with respect of supplies, sales, technology, brand and Key Managerial Personnel (KMP).**

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**A. Total number of outstanding litigations against the company and amount involved**

| Category | No of proceedings | Amount (₹ in Lacs) |
|---|-------------------|--------------------|
| Land related | 1 | 23.25 |
| Custom duty disputed in appeals | 1 | 26.78 |
| Income Tax disputed in appeals | 6 | 37.82 |
| Sales Tax disputed in appeals | 5 | 12.49 |
| Excise duty & Service Tax disputed in appeals | 13 | 28.54 |

B. Brief details of top 5 material outstanding litigations against the company and amount involved

| Sr. No. | Particulars | Litigation filed by | Current status | Amount involved (₹ In Lacs) |
|---------|--|---|--|-----------------------------|
| 1. | Our company received a show cause cum demand order No.6819/2007 dated 06 November 2007 from the Commissioner of Customs, Chennai in respect of differential customs duty on machinery imported for the Pudukkottai project with a demand of ₹ 26,78,241/-. Our company filed an appeal with the Commissioner of Customs (Appeals), Chennai on 28th December 2007 and got the stay order vide no.605/09 dated 2 July 2009. | Show cause cum demand order from the Commissioner of Customs, Chennai | The matter is still pending before the Commissioner of Customs (Appeals), Chennai for adjudication. | 26.78 |
| 2. | The Company has a leased land (Plot No. J-6, P.S. Singur, Dist. Hooghly, West Bengal) of around 1.55 acres for an allotment period of 90 years. The Company has paid an amount of Rs 23.25 lacs to West Bengal Industrial Development Corporation (WBIDC), ie the Lessor for the same. The lease deed has not been executed till date. Nevertheless, the Lessor has received the possession letter dated 27 June 2007. As per the terms of the allotment letter the lease deed is required to be executed within 60 days from the date of receiving the possession, the same is yet to be done. It may be noted that the present allotment and lease was made to the Lessee under TATA Small Car Project, to be set up in Singur. However, the said project has run into dispute between the TATA group and the Government of West Bengal. | - | The Supreme Court has quashed the proceedings pertaining to the land in Singur and directed the state government of West Bengal to restore the ownership in the land to the farmers. However, no specific action derived from the Supreme Court order has been initiated by the State Government and the impact on the lease deed entered into by ourCompany will only be known in due course. | 23.25 |
| 3. | Our company has received an assessment order dated 31 March 2016 for the assessment year 2013-14 with a notice of demand for ₹Nil/- from the Income Tax Officer of Income Tax, Company Circle – II (2), Chennai – 34 by assessing with the disallowance under section 14A for ₹2,71,165/- and other additions of ₹ 15,64,339/-. Our company had filed an appeal dated 03 May 2016 and filed for rectification of the assessment order on 23 May 2016 to C.I.T. (Appeals) III, Chennai – 34 and The DCIT, Corporate Circle, Chennai – 34. | Assessment order from the Income Tax Officer of Income Tax | The rectification request and appeal matter is still pending for adjudication. | 18.35 |

| Sr. No. | Particulars | Litigation filed by | Current status | Amount involved (₹ In Lacs) |
|---------|--|--|--|-----------------------------|
| 4. | Our company has received an assessment order dated 29 December 2010 for the Assessment Year 2008-09 with a notice of demand for ₹10,88,885/- from the Additional Commissioner of Income tax, Company Range - II, Chennai -600034 by assessing the taxable income of our company with the disallowance of claim of deduction under section 80 IA, section 80IBand section 14A of the Income-tax Act, 1961. Our company had filed an appeal dated 21 January 2011 before the C.I.T. (Appeals) III, Chennai - 600034. | Assessment order from the Additional Commissioner of Income tax | The matter is still pending for adjudication. | 10.89 |
| 5. | Our Company received Show cause notice bearing reference no. 07/2016 dated 11th March, 2016 issued by the Office of the Commissioner of Central Excise, Audit II Commissionerate, Chennai for an amount of ₹ 5,78,044/- in respect of service tax on commission income. We filed our reply on 30.04.2016. | Show cause notice issued by the Office of the Commissioner of Central Excise | The matter is still pending before the Joint/ Additional Commissioner of Service Tax, Service tax-I Commissionerate. | 5.78 |

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters / Group companies in last 5 financial years including outstanding action, if any (200 - 300 word limit in total)

Not Applicable, since this is a Rights Issue pursuant to Part E of Schedule VIII of SEBI (ICDR) Regulations.

D. Brief details of outstanding criminal proceedings against Promoters (200 - 300 word limit in total)

Not Applicable, since this is a Rights Issue pursuant to Part E of Schedule VIII of SEBI (ICDR) Regulations.

ANY OTHER IMPORTANT INFORMATION

Procedure for Application

The CAF along with the Abridged Letter of Offer for the Equity Shares offered as part of the Issue would be printed for all Eligible Equity Shareholders. In case the original CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and address. In case the signature of the Equity Shareholder(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Neither the Company nor the Lead Manager nor the Registrar to the Issue shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit. The request for a duplicate CAF should reach the Registrar to the Issue within seven days from the Issue Opening Date. Eligible Equity Shareholder(s) should note that those who are making the Application in such duplicate CAF should not utilize the original CAF for any purpose, including renunciation, even if the original CAF is received or found subsequently. If any Investor violates any of these requirements, they shall face the risk of rejection of both Applications

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIBs, Non-Institutional Investors (including all companies and bodies corporate) and other investors whose application amount exceeds ₹ 200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI circular dated December 30, 2009. Further, all QIBs and Non-Institutional Investors are mandatorily required to use the ASBA facility, even if application amount does not exceed ₹ 200,000. The Investors who are (i) not QIBs; (ii) not Non-Institutional Investors; or (iii) investors whose application amount is not more than ₹ 200,000, can participate in the Issue either through the ASBA process or the non ASBA process.

All Renounees (including Renounees who are Individuals) shall apply in the Issue only through the non-ASBA process. Retail Individual Investors may optionally apply through the ASBA process, provided that they are eligible ASBA Investors.

Application on Plain Paper – Non ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with demand draft, net of bank and postal charges payable at Chennai which should be drawn in favour of the “Kingfa India – Rights Issue – R” in case of the resident shareholders and non-resident shareholders applying on non-

repatriable basis and in favour of the “Kingfa India – Rights Issue – NR” in case of the non-resident shareholders applying on repatriable basis and send the same by registered/ speed post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date.

The Equity Shareholders can make an application on plain paper giving necessary details as given below.

The envelope should be superscribed “Kingfa India – Rights Issue – R” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “Kingfa India – Rights Issue – NR” in case of non-resident shareholders applying on repatriable basis.

The application on plain paper, duly signed by the Investors including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Kingfa Science & Technology (India) Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID no.;
- Number of Equity Shares held as on Record Date;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount paid at the rate of ₹ 750/- per Equity Share;
- Particulars of cheque/draft;
- Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue.
- Share certificate numbers and distinctive numbers of equity shares, if held in physical form;
- Allotment option preferred - physical or demat form, if held in physical form;
- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records or the Depositories’ records
- In case of Non Resident Equity Shareholders, NRE/ FCNR/ NRO A/c No. name and address of the bank and branch;
- If payment is made by a draft purchased from an NRE/ FCNR/ NRO A/c No., as the case may be, an Account debit certificate from the bank issuing the draft, confirming that the draft has been issued by debiting NRE/FCNR/ NRO A/c; and
- Additionally, all such applicants are deemed to have accepted the following:

“I/We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the “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 (the “United States”). I/we understand the 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 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 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 understand that none of our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company has reason to believe is, a resident of the United States.

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 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, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that our Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor.

Application on Plain Paper - ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper.

The Equity Shareholders can make an application on plain paper giving necessary details as given below.

The envelope should be superscribed “Kingfa India –Rights Issue -R” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “Kingfa India –Rights Issue -NR” in case of non-resident shareholders applying on repatriable basis and should be postmarked in India. The application on plain paper, duly signed by the Investors including joint holders, in the same order as per the specimen recorded with our Company, must reach the SCSBs before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Kingfa Science & Technology (India) Limited;
- Name and address of the Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID no.;
- Number of equity shares held as on Record Date;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount to be blocked at the rate of ₹ 750/- per Equity Share; and
- Except for applications on behalf of the Central or State Government and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue.
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident investors, 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;

Additionally, all such applicants are deemed to have accepted the following:

“I/We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the “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 (the “United States”). I/we understand the 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 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 Equity Shares or Rights Entitlement in the United States. I/we understand that none of our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company has reason to believe is, a resident of the United States or other restricted 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 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, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that our Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

Fractional entitlements

Fractional entitlement if any will be rounded off to the next higher integer and the share required for the same will be adjusted from promoter's entitlement in the rights issue.

Renunciation

This Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not Allot and/or register any Equity Shares in favour of more than three persons (including joint holders), partnership firm(s) or their nominee(s), minors, HUF, any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882 or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold equity shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favor of persons or entities in the United States or who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

Any renunciation (i) from a resident shareholder to a non-resident, or (ii) from a nonresident shareholder to a resident, or (iii) from a non-resident Eligible Equity Shareholder to a non-resident is subject to the renouncer / renounee obtaining the necessary approvals, including from the RBI, and such approvals should be attached to the CAF. Applications not accompanied by the aforesaid approvals are liable to be rejected.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe to the Equity Shares being offered but wish to renounce the same in favour of Renounee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such renounee obtains a prior approval from the RBI. On submission of such approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Application(s) received from Non-Resident / NRIs, or persons of Indian origin residing abroad for allotment of Equity Shares shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest, export of share certificates, etc. In case a Non Resident or NRI Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF, without which the CAF shall be rejected on technical grounds. For further details please refer to “Grounds for Technical Rejection for ASBA Investors” and “Grounds for Technical Rejection for non- ASBA Investors” on page 136 and on page 144 respectively of the Letter of Offer.

Part ‘A’ of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the enclosed CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part ‘B’ of the CAF) duly filled in shall be conclusive evidence for our Company of the person(s) applying for Equity Shares in Part ‘C’ of the CAF to receive Allotment of such Equity Shares. The Renounees applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares. Part ‘A’ of the CAF must not be used by the Renounee(s)

as this will render the application invalid. Renouncee(s) will have no further right to renounce any Equity Shares in favour of any other person.

However, any renunciation (i) from a resident Indian Eligible Equity Shareholder to a Non Resident, or (ii) from a Non Resident Eligible Equity Shareholder to a resident Indian, or (iii) from a Non Resident Eligible Equity Shareholder to a Non Resident, in light of the RBI Notification No. FEMA 20/2000-RB dated May 03, 2000, would not require approval from RBI, if such renunciation is made on the floor of the exchange, provided that in case of any renunciation from a resident Indian Equity Shareholder to a Non Resident, the offer price for the Rights Equity Shares should not be less than the price at which an offer is made to the resident Eligible Equity Shareholder. Any renunciation through a private arrangement would be subject to applicable pricing requirements prescribed by the RBI and/or seeking appropriate approvals from the RBI in this regard.

Procedure for renunciation

To renounce all the Equity Shares offered to an Equity Shareholder in favour of one Renouncee

If you wish to renounce the offer indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign this part of the CAF.

To renounce in part/or renounce the whole to more than one person(s)

If you wish to either accept this offer in part and renounce the balance or renounce the entire offer under this Issue in favour of two or more Renouncees, the CAF must be first split into requisite number of forms. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Equity Shareholder(s), who has renounced the Equity Shares, does not match with the specimen registered with our Company, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Equity Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to the Banker to the Issue on or before the Issue Closing Date along with the application money in full. The Renouncee cannot further renounce.

Change and/or introduction of additional holders

If you wish to apply for Equity Shares jointly with any other person(s), not more than three, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that the Board of Directors of our Company shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees, nor can renounce their Rights Entitlement.

Additional Equity Shares

You are eligible to apply for additional Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under "Basis of Allotment" on page 129 of the Letter of Offer.

Further, under the Foreign Exchange Regulations currently in force in India, transfers of shares between non-residents and residents are permitted subject to compliance with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or certain other conditions, then the prior approval of the RBI will be required.

Due to the aforementioned factors FPIs, FVCIs, multilateral and bilateral institutes intending to apply for additional Rights Equity Shares or intending to apply for Rights Equity Shares renounced in their favour shall be required to obtain prior approval from the appropriate regulatory authority.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. The Renouncee applying for all the Equity Shares renounced in their favour may also apply for additional Equity Shares.

Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Subscription by the Promoter and Promoter Group

The Promoter has confirmed that it intends to subscribe to the full extent of their Rights Entitlement in the Issue. Our Promoter Kingfa Sci. and Tech. Co. Ltd. presently holds 74.99% of the paid-up equity share capital of our Company. As per the terms of the Rights Issue Kingfa Sci. and Tech. Co. Ltd. would be entitled to 74.99% of the rights issue as well. In terms of the present regulations, promoter will not be able to subscribe to any additional shares and/or subscribe to any unsubscribed portion in this rights issue as such subscription may reduce the public shareholding below the applicable limits of 25% for compliance with the continuous listing requirements as per provisions of Rule 19(2) (b) of Securities Contracts (Regulation) Rules, 1957. In case the rights issue remains unsubscribed and minimum subscription is not achieved, all application moneys received shall be refunded to the applicants forthwith, but not later than 15 days of the closure of the issue. Else, refund @15% p.a. shall be payable for the delay.

Offer Document of last rights issue

A copy of the offer document of the immediately preceding rights issue is available to the public for inspection as a material document.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in the Red Herring Prospectus are true and correct.

Place : Chennai

Date : March 16, 2017