

DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

# LAKHOTIA POLYESTERS (INDIA) LIMITED

Corporate Identification Number (CIN): L17120MH2005PLC155146

Registered Office: 158/159, Samaratha Sahkari Audyogik Vasahat Ltd, Pimpal- Gaon (Baswant), Tal- Niphad, Nashik – 422 209.

Contact No: 02554 – 232000 | Website: www.lakhotiapoly.in | E-mail Id: info@lgroup.co.in

**OPEN OFFER FOR ACQUISITION OF 27,24,000 (TWENTY SEVEN LAKHS TWENTY FOUR THOUSAND ONLY) EQUITY SHARES FROM SHAREHOLDERS OF LAKHOTIA POLYESTERS (INDIA) LIMITED ("LPII") BY MR. MADHUSUDAN LAKHOTIA, MRS. JAYSHREE LAKHOTIA, MR. SHYAMSUNDER LAKHOTIA AND MRS. KANCHANDEVI LAKHOTIA (HEREIN JOINTLY REFER TO AS "ACQUIRERS") PURSUANT TO AND IN COMPLIANCE WITH REGULATIONS 3(1) & 3(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 2011, AS AMENDED ("SEBI (SAST) REGULATIONS").**

This Detailed Public Statement ("DPS") is being issued by Aryaman Financial Services Limited, the Manager to the Offer ("Manager"), on behalf of the Acquirers, in compliance with Regulation 13(4) of the SEBI (SAST) Regulations pursuant to the Public Announcement (PA) dated March 09, 2023 as filed with the Stock Exchange, SEBI & Target Company in terms of Regulations 3(1) & 3(2) and all the other applicable provisions of the SEBI (SAST) Regulations.

**I. ACQUIRERS, SELLERS, TARGET COMPANY AND OFFER**

**(A) DETAILS OF ACQUIRERS:**

**ACQUIRER NO. 1 – MADHUSUDAN LAKHOTIA**

- Mr. Madhusudan Lakhotia, son of Mr. Shyamsunder Lakhotia, aged 42 years residing at 333, Vardhaman Nagar, Lagat, Sangmeshwar, Malegaon, Nashik – 423 203. He is a commerce graduate and holds diploma in Export Management. He has experience of over 20 years in dealing with metallic yarn, packaging material, lacquer coated metallic films and other kinds of yarns. He is one of the Promoter of Lakhotia Polyesters (India) Limited ("Target Company"). As on date of this DPS, except as a Managing Director of the Target Company, he is not acting as a Whole Time Director in any public limited company and he is not on the Board of any other listed company.
- The Net worth of Mr. Madhusudan Lakhotia as on December 31, 2022 is ₹431.92 Lakhs as certified by CA Mahesh Kadam (Membership No. 139338) Proprietor of Mahesh Kadam & Co., (Firm Registration No. 132348W) Chartered Accountants, Email: camaheshkadam@rediffmail.com and having office at 201, Shakti Tower, Tilak Road, Tamba Kata, Malegaon, Nashik – 423 203.

**ACQUIRER NO. 2 – JAYSHREE LAKHOTIA**

- Mrs. Jayshree Lakhotia, wife of Mr. Madhusudan Lakhotia, aged 40 years residing at 333, Vardhaman Nagar, Lagat, Sangmeshwar, Malegaon, Nashik – 423 203. She is a commerce graduate & has experience of over 10 years in dealing with metallic yarn & other kinds of yarns. She is also one of the Promoters of the Target Company. As on date of this DPS, except as a Chairman & Executive Director of the Target Company, she is not acting as a Whole Time Director in any public limited company and she is not on the Board of any other listed company.
- The Net worth of Mrs. Jayshree Lakhotia as on December 31, 2022 is ₹115.51 Lakhs as certified by CA Mahesh Kadam (Membership No. 139338) Proprietor of Mahesh Kadam & Co., (Firm Registration No. 132348W) Chartered Accountants, Email: camaheshkadam@rediffmail.com and having office at 201, Shakti Tower, Tilak Road, Tamba Kata, Malegaon, Nashik – 423 203.

**ACQUIRER NO. 3 – SHYAMSUNDER LAKHOTIA**

- Mr. Shyamsunder Lakhotia, son of Mr. Dhanraj Lakhotia, aged 66 years residing at 333, Vardhaman Nagar, Lagat, Sangmeshwar, Malegaon, Nashik – 423 203. He does not have any specific qualification & does not hold any Bachelor / Master or any professional degree. He is having experience of over 30 years in the textiles industry. He is also one of the Promoters of the Target Company. As on date of this DPS, he is not acting as a Whole Time Director in any public limited company and he is not on the Board of any other listed company.
- The Net worth of Mr. Shyamsunder Lakhotia as on December 31, 2022 is ₹303.16 Lakhs as certified by CA Mahesh Kadam (Membership No. 139338) Proprietor of Mahesh Kadam & Co., (Firm Registration No. 132348W) Chartered Accountants, Email: camaheshkadam@rediffmail.com and having office at 201, Shakti Tower, Tilak Road, Tamba Kata, Malegaon, Nashik – 423 203.

**ACQUIRER NO. 4 – KANCHANDEVI LAKHOTIA**

- Mrs. Kanchandevi Lakhotia, wife of Mr. Shyamsunder Lakhotia, aged 63 years residing at 333, Vardhaman Nagar, Lagat, Sangmeshwar, Malegaon, Nashik – 423 203. She does not have any specific qualification & does not hold any Bachelor / Master or any professional degree. She is also one of the Promoters of the Target Company. As on date of this DPS, she is not acting as a Whole Time Director in any public limited company and she is not on the Board of any other listed company.
- The Net worth of Mrs. Kanchandevi Lakhotia as on December 31, 2022 is ₹271.35 Lakhs as certified by CA Mahesh Kadam (Membership No. 139338) Proprietor of Mahesh Kadam & Co., (Firm Registration No. 132348W) Chartered Accountants, Email: camaheshkadam@rediffmail.com and having office at 201, Shakti Tower, Tilak Road, Tamba Kata, Malegaon, Nashik – 423 203.

**OTHER DETAILS OF THE ACQUIRERS:**

- Acquirers are relative as defined under section 2(77) of Companies Act, 2013. Mr. Madhusudan Lakhotia (Acquirer No 1) is husband of Mrs. Jayshree Lakhotia (Acquirer No 2). Further he is son of Mr. Shyamsunder Lakhotia (Acquirer No 3) & Mrs. Kanchandevi Lakhotia (Acquirer No 4). All the Acquirers belong to single family and are related to each other.
- All the Acquirers are the current Promoter of the Target Company and collectively holds 28,54,012 Equity Shares, representing 27.25% of the fully diluted Equity Share Capital of the Target Company. Other members of the Promoter Group (who are deemed PAC) holds 6,95,376 Equity Shares, representing 6.64% of the fully diluted Equity Share Capital of the Target Company. The Acquirers are complied with the provisions of Reg. 29 of the SEBI (SAST) Regulations, 2011, as applicable to them. The Acquirers does not belong to any Group as such.
- Due to the operation of Regulations 2(1)(g) of the SEBI (SAST) Regulations, there could be persons who could be deemed to be acting in concert with the Acquirers. However, such persons are not persons acting in concert for the purposes of this Open Offer.
- The entire equity shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition. As per informal understanding among the Acquirers, majority of the shares tendered in this offer will be acquired by Mr. Madhusudan Lakhotia (Acquirer No 1) and Mrs. Jayshree Lakhotia (Acquirer No 2).
- The Acquirers undertakes that they will not sell the Equity Shares of the Target Company during the "Offer Period" in terms of Regulation 25(4) of the Regulations.
- None of the Acquirers have been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI.
- None of the Acquirers have been categorized as a "willful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations.
- None of the Acquirers have been declared as Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

**(B) DETAILS OF SELLERS:**

Name of Sellers	Part of Promoter Group (Yes / No)	Details of shares held by the Sellers			
		Pre Transaction		Post Transaction	
		Number of Equity Shares	% of fully diluted Equity Share Capital of the Target Company	Number of Equity Shares	% of fully diluted Equity Share Capital of the Target Company
Giza Estates Pvt Ltd	No	10,95,110	10.46%	Nil	Nil
Vaishno Media Graphix Pvt Ltd	No	3,13,940	3.00%	Nil	Nil
<b>Total</b>		<b>14,09,050</b>	<b>13.45%</b>	<b>Nil</b>	<b>Nil</b>

- Giza Estates Private Limited**, a private limited company incorporated and registered under the Companies Act, having CIN No U70100MH2008PTC185556. There has been no change in the name of the Company since last 3 financial years. The Seller does not belong to any Group as such. The share of the Seller is not listed on any stock exchange. The Registered Office is situated at 17/19, Naviwadi, Nand Bhawan, Ground Floor, Dadiseth Agary Lane Mumbai – 400 002.
- Vaishno Media Graphix Private Limited**, a private limited company incorporated and registered under the Companies Act, having CIN No U21012DL2001PTC112591. There has been no change in the name of the Company since last 3 financial years. The Seller does not belong to any Group as such. The share of the Seller is not listed on any stock exchange. The Registered Office is situated at Room No 505, Dhaka Chamber 39/2068, Naiwala Karol Bagh, New Delhi North – 110 005.
- The Sellers have entered into a Share Purchase Agreement dated March 09, 2023 with the Acquirers. The Sellers undertake not to tender any shares held by them in the Open Offer.
- The Sellers have not been prohibited by SEBI from dealing in securities in terms of direction issued under Section 11B of the SEBI Act, or under any of the regulations made under the SEBI Act.

**(C) DETAILS OF TARGET COMPANY – LAKHOTIA POLYESTERS (INDIA) LIMITED ("LPII")**

- The Target Company was incorporated as Lakhotia Polyesters (India) Private Limited on August 5, 2005 under the Companies Act, 1956, with the Registrar of Companies, Mumbai. The status of the Company was changed to a public limited company and the name of the Company was changed to Lakhotia Polyesters (India) Limited by a special resolution passed on July 25, 2012. A fresh Certificate of Incorporation consequent to the change of name was granted to the Company on October 04, 2012, by the Registrar of Companies, Mumbai. Except as disclosed above, there has been no change in the name of the Target Company as on the date of this Detailed Public Statement.
- The Registered Office of the Target Company is situated at 158/159, Samaratha Sahkari Audyogik Vasahat Ltd, Pimpal Gaon (Baswant), Tal- Niphad, Nashik – 422 209. The CIN of the Target Company is L17120MH2005PLC155146.
- Neither the Target Company nor its Promoters have been categorized as a "willful defaulter" in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and further they have not been declared as Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- The main object of the Target Company is to carry on the business of designers, developers, manufacturers, merchants, knitters, dealers, exporters, importers, sellers of all types of Synthetics, Polyesters, Textiles, Fabrics, garments and wearing apparels of every kind and descriptions, Hosiery goods, all types of yarns, synthetic yarns, metallic yarns, household, domestic and other linen.
- The Target Company is primarily engaged in the manufacturing and selling of Metallic yarns & Textile fabrics. The yarns produced by the Target Company are used for the made ups in apparels, hosiery and garment industry. There has not been any merger / demerger or spin-off in the Target Company during the past 3 (three) years.
- The Authorized Share Capital of the Target Company is ₹10,50,00,000/- (Rupees Ten Crores Fifty Lakhs Only) divided into 1,05,00,000 equity shares of ₹10/- each. As on date, the issued, subscribed and paid-up capital of the Target Company is ₹10,47,39,880/- (Rupees Ten Crores Forty Seven Lakhs Thirty Nine Thousand Eight Hundred & Eighty Only) divided into 1,04,73,988 equity shares of ₹10/- each.
- As on the date of this DPS, there are no partly paid up shares and no outstanding instruments in the nature of warrants/fully convertible debentures/partly convertible debentures etc. which are convertible into equity at any later date in the Target Company.
- The entire equity shares capital of the Target Company are listed on BSE Limited (Scrip code: 535387). Based on the information available on BSE, the equity shares of the Target Company are infrequently traded on BSE (within the meaning of definition of "frequently traded shares" under Regulation 2(1)(j) of the Regulations).
- The present Board of Directors of the Target Company comprises of Mr. Madhusudan Lakhotia, Mrs. Jayshree Lakhotia, Mr. Ashok Khajanchi, Mr. Kanhaiya Lal Sharma, Mr. Nikunj Bihani and Mr. Vashishtha Pandiya.
- The key financial information of the Target Company based on the audited financial statements for the financial year ended March 31, 2020, 2021 and 2022 and based on limited review (un-audited financial) statement for the period ended December 31, 2022 are as follows:

Particulars	(₹ in Lakhs)			
	31-Mar-20	31-Mar-21	31-Mar-22	31-Dec-22
Total Revenue	1,639.27	1,634.22	2,090.52	573.08
Profit / (Loss) After Tax	(65.25)	(49.45)	3.28	286.42
Earnings Per Share (₹)	(0.62)	(0.47)	0.03	2.73
Networth / Shareholder's Fund	800.80	751.35	754.63	1041.05

**(D) DETAILS OF THE OFFER**

- This is a Triggered Offer, being made by the Acquirers in accordance with Regulations 3(1) & 3(2) of the SEBI (SAST) Regulations.
- The Acquirers hereby makes this Offer to the existing shareholders (other than the parties to the SPA) to acquire up to 27,24,000 (Twenty Seven Lakhs Twenty Four Thousand Only) equity shares of face value of ₹10/- (Rupees Ten Only) constituting 26.01% of the equity share capital of the Target Company on the 10th (Tenth) working day from the closure of the Tendering Period ("Offer Size").
- This Open Offer is being made at a price of ₹12/- (Rupees Twelve Only) ("Offer Price") per fully diluted Equity Share of the Target Company aggregating to ₹3,26,88,000/- (Rupees Three Crores Twenty Six Lakhs Eighty Eight Thousand Only) ("Offer Consideration"), payable in Cash.
- The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule. The funds received from Buyer Broker by the Clearing Corporation will be released to the Shareholder(s) / Selling Broker(s) as per secondary market pay out mechanism.
- This Open Offer is made under SEBI (SAST) Regulations, 2011 to all the shareholders of the Target Company, in term of the Regulation 7(6) of the Regulations, other than the Acquirers, persons deemed to be acting in concert with Acquirers and the Sellers of the Target Company.
- As on the date of this DPS, no approval will be required from any bank / financial institutions for the purpose of this Offer, to the best of the knowledge of the Acquirers.
- As on the date of this DPS, there are no other statutory approvals required for the underlying SPA transaction and to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirers will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, BSE and the registered office of the Target Company.
- The Open Offer is not a conditional Offer and not subject to any minimum level of acceptance. The Acquirers will acquire all the equity shares of the Target Company that are validly tendered as per terms of the Offer up to 27,24,000 (Twenty Seven Lakhs Twenty Four Thousand Only) equity shares constituting 26.01% of the equity share capital of the Target Company.
- The Acquirers had not acquired any Equity Shares of the Target Company during the last 52 (Fifty Two) weeks immediately preceding the date of the Public Announcement.
- The Equity Shares of the Target Company will be acquired by the Acquirers as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- The Manager to the Offer, Aryaman Financial Services Limited does not hold any equity shares in the Target Company as on the date of the Public Announcement and this Detailed Public Statement. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the equity shares of the Target Company during the offer period.
- The Acquirers does not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through special resolution passed by way of postal ballot in terms of Regulation 25(2) of the SEBI (SAST) Regulations.
- The equity shares of the Target Company are listed on BSE Limited. As per Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Rule 19A of the Securities Contract (Regulation) Rules, 1957 ("SCRR"), the Target Company is required to maintain at least 25% public shareholding (i.e. shares of the Target Company held by the public as determined in accordance with the SCRR), on a continuous basis for listing. Pursuant to the Existing shareholding (including that of deemed PAC), SPA and Open Offer (assuming full acceptance) the Acquirers will acquire maximum 76,82,438 Equity Shares constituting 73.35% of the Equity Share Capital of the Target Company. Thus, the public shareholding in the Target Company will not fall below 25% consequent to this Open Offer and it will be in compliance of Regulation 38 of SEBI (LODR) Regulations, 2015.

**(E) BACKGROUND TO THE OFFER**

- On March 09, 2023, the Acquirers have entered into a Share Purchase Agreement ("SPA") with the Sellers, in which the Acquirers have agreed to acquire 14,09,050 equity shares ("Sale Shares") constituting 13.45% of the equity share capital of the Target Company. The Acquirers have agreed to purchase the Sale Shares at a negotiated price of ₹10/- (Rupees Ten Only) per equity share aggregating to ₹1,40,90,500/- (Rupees One Crore Forty Lakhs Ninety Thousand Five Hundred Only), payable in cash.
- The Acquires are the current Promoter of the Target Company. At present, the Acquirers does not have any plans to make major change to the existing line of business of the Target Company except in the ordinary course of business. The Acquirers would support the existing business of the Target Company.
- As on the date of this DPS, the Acquirers (including deemed PAC) collectively holds 33.89% of the Equity Share Capital of the Target Company but none of the Acquirer individually holds more than 25% of the Equity Share Capital of the Target Company.
- Through the Share Purchase Agreement, the Acquirers propose to take substantial acquisition of shares and consolidation of existing holding of the Promoter / Promoter Group in the Target Company. Proposed Shareholding of Acquirers (including that of deemed PAC), after the acquisition of shares under the underlying transaction shall be 49,58,438 Equity Shares comprising of 47.34% of Equity Share Capital of the Target Company. Post Open Offer, assuming full acceptance in the Offer, the shareholding of the Acquirers (including that of deemed PAC), will be 76,82,438 Equity Shares constituting 73.35% of the Equity Share Capital of the Target Company and some of the Acquirer may cross the individual limit of 25%. Hence this Open Offer is being made by the Acquirers in compliance with Regulations 3(1) & 3(2) and other applicable provisions of SEBI (SAST) Regulations, 2011 as amended.
- The consideration for the shares accepted under the Open Offer payable to the respective shareholders shall be paid in cash.

**III. SHAREHOLDING AND ACQUISITION DETAILS**

The current and proposed shareholding of the Acquirers in Target Company and the details of their acquisition are as follows:

Details	Acquirers – 4		Post Transaction		Acquirers – 4	
	No. of Shares	In %	No. of Shares	In %	No. of Shares	In %
Shareholding as on the PA date	28,54,012	27.25%	NA	NA	6,95,376	6.64%
Shares acquired between the PA date and the DPS date	Nil	Nil	NA	NA	Nil	Nil
After acquisition of Sale Shares pursuant to SPA	42,63,062	40.70%	NA	NA	6,95,376	6.64%
Post Offer Shareholding (assuming full acceptance, as on 10th working day after closing of tendering period)	69,87,062	66.71%	NA	NA	6,95,376	6.64%

\*As per informal understanding among the Acquirers, majority of the shares tendered in the Open Offer will be acquired by Mr. Madhusudan Lakhotia (Acquirer No 1) and Mrs. Jayshree Lakhotia (Acquirer No 2).

**IV. OFFER PRICE:**

- The equity shares of the Target Company are listed on BSE Limited, having a Scrip ID of "LAKHOTIA" & Scrip Code of 535387 and is currently underlying in "XT" Group on BSE.
- The annualized trading turnover in the equity shares of the Target Company on BSE based on trading volume during the 12 (twelve) calendar months prior to the month of Public Announcement (March 01, 2022 to February 28, 2023) is as given below:

Name of the Stock Exchange	Total number of Equity Shares traded during the 12 (Twelve) calendar months prior to the month of PA	Total Number of Shares	Annualized Trading Turnover (in terms of % to Total Capital)
BSE	8,95,049	1,04,73,988	8.55%

(Source: www.bseindia.com)

- Based on the information available on the website of BSE, the equity shares of the Target Company are not frequently traded on the BSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Hence, the Offer Price of ₹12/- (Rupees Twelve Only) per fully paid up Equity Share has been determined and justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

Sr. No.	Particulars	Amount (In. ₹)	
a)	Highest Negotiated Price per equity share for any acquisition under the Share Purchase Agreement ("SPA")	₹10.00	
b)	The volume-weighted average price paid or payable for acquisition during the 52 (Fifty Two) weeks immediately preceding the date of PA	Nil	
c)	The highest price paid or payable for any acquisition during 26 (Twenty Six) weeks period immediately preceding the date of PA	Nil	
d)	In case of frequently traded shares, the volume-weighted average market price for a period of 60 trading days immediately preceding the date of PA on BSE (As the maximum volume of trading in the shares of the target company is recorded on BSE during such period)	Not Applicable	
e)	The price determined by taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.	31-Mar-22	31-Dec-22
1.	Book Value per Equity Share (₹)	₹ 7.20/-	₹ 9.94/-
2.	Earnings Per Equity Share (₹)	₹ 0.03/-	₹ 2.73/-
3.	Networth / Shareholders Funds	₹ 754.63 Lakhs	₹ 1,041.05 Lakhs
4.	Return on Networth (In %)	0.43%	27.51%
5.	The average industry P/E for the sector in which Target Company Operates. (Source: Capital Market, Volume XXXVIII/01, Feb 20 – Mar 05, 2023)	32.2	
f)	The per equity share value computed under Regulation 8(5), if applicable.	Not Applicable	

Note: IBBI Registered Valuer CA Ajay Kumar Sukhadaya, Registration number "IBBI/RV/06/2020/12814" and having his office at Office No. 3, Building, No. 4, 2nd Floor, Rajendra Park CHS. Ltd., Station Road, Goregaon (W), Mumbai – 400 062; Email: caajaysukhadaya@gmail.com; through his valuation report has certified that the fair value of the Equity Share of Target Company is ₹11.11/- (Rupees Eleven and Eleven Paise Only) per Equity Share.

In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of ₹12/- (Rupees Twelve Only) per fully paid up Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

- There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.
- As on date, there is no revision in open offer price or open offer size. In case of any revision in the open offer price or open offer size, the Acquirers shall (i) make corresponding increases to the escrow amounts; (ii) make a public announcement in the same newspapers in which DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, Stock Exchanges and the Target Company at its registered office of such revision. The revised Offer Price would be paid to all the Public Shareholders who's Equity Shares are accepted under the Open Offer.
- If there is any revision in the offer price on account of future purchases / competing offers, it will be done on or before May 08, 2023 and would be notified to the shareholders.
- If the Acquirers acquire Equity Shares during the period of twenty six weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in this Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares in any form.

**FINANCIAL ARRANGEMENTS:**

- The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of 27,24,000 Equity Shares of ₹10/- each from the public shareholders of the Target Company at a Offer Price of ₹12/- (Rupees Twelve Only) per Equity Share is ₹3,26,88,000/- (Rupees Three Crores Twenty Six Lakhs Eighty Eight Thousand Only) (the "Offer Consideration").

- The Acquirers have adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources and no funds are borrowed from banks or financial institution for the purpose of this Open Offer. CA Mahesh Kadam (Membership No. 139338) Proprietor of Mahesh Kadam & Co., (Firm Registration No. 132348W) Chartered Accountants, Email: camaheshkadam@rediffmail.com and having office at 201, Shakti Tower, Tilak Road, Tamba Kata, Malegaon, Nashik – 423 203 vide certificate dated March 09, 2023 have confirmed that sufficient resources are available with the Acquirers for fulfilling the obligations under this Open Offer in full.
- In terms of Reg. 17(1) of the Regulations, the Acquirers have to create an escrow for an amount equal to 25% of the "Offer Consideration" i.e. for ₹ 81,72,000/- (Rupees Eighty One Lakhs Seventy Two Thousand Only).
- In terms of Reg. 17(3) of the Regulations, the Acquirer, the Manager to the Offer and Axis Bank Limited, a banking company incorporated under the laws of India and having one of its branch offices at Ground & First Floor, Neptune Uptown, NS Road, Mulund (W), Mumbai – 400 080 have entered into an Escrow Agreement for the purpose of the Offer ("Escrow Agreement"). Pursuant to the Escrow Agreement, the Acquirers have deposited ₹85,00,000/- (Rupees Eighty Five Lakhs Only) in cash in the Escrow Account which is in excess of 25% of the Offer Consideration.
- The Manager to the Offer has been duly authorized by the Acquirers to realize the value of Escrow Account in terms of the SEBI (SAST) Regulations, 2011.
- Based on the above and in light of the Escrow Arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill the Acquirer's obligations through verifiable means in relation to the Offer in accordance with the Regulations.

**VI. STATUTORY AND OTHER APPROVALS:**

- As on the date of this DPS, no approval will be required from any bank / financial institutions for the purpose of this Offer, to the best of the knowledge of the Acquirers.
- As on the date of this DPS, there are no other statutory approvals required for the underlying SPA transaction and to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals are required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals also. The Acquirers will not proceed with the Open Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer. In the event of withdrawal, a public announcement will be made within 2 (Two) working days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to SEBI, BSE and the registered office of the Target Company.
- Shareholders of the Target Company who are either Non-Resident Indians ("NRIs") or Overseas Corporate Bodies ("OCBs") and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable approvals of RBI which have been obtained at the time of acquisition of Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirers reserve the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirers from NRIs and OCBs.
- In case of delay in receipt of any statutory approvals as disclosed above or which may be required by the Acquirers at a later date, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer subject to the Acquirers agreeing to pay interest to the Public Shareholders for the delay. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirers have the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Open Offer.
- There are no conditions stipulated in the SPA between the Acquirers and the Sellers, the meeting of which would be outside the reasonable control of the Acquirers and in view of which the Offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations.

**VII. TENTATIVE SCHEDULE OF ACTIVITIES PERTAINING TO THE OFFER:**

Major Activities	Schedule
Public Announcement	March 09, 2023 (Thursday)
Publication of Detailed Public Statement	March 16, 2023 (Thursday)
Filing of Draft Letter of Offer with SEBI	March 24, 2023 (Friday)
Last Date for a Competitive Bid	April 12, 2023 (Wednesday)
Receipt of Comments from SEBI on Draft Letter of Offer	April 20, 2023 (Thursday)
Identified Date	April 21, 2023 (Friday)
Date by which Letter of Offer be posted to the Shareholder	May 02, 2023 (Tuesday)
Comments on the Offer by a Committee of Independent Directors constituted by the BODs of the Target Company	May 04, 2023 (Thursday)
Last Day of Revision of Offer Price / Share	May 08, 2023 (Monday)
Issue of advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers	May 08, 2023 (Monday)
Date of Opening of the Offer	May 09, 2023 (Tuesday)
Date of Closing of the Offer	May 22, 2023 (Monday)
Date of communicating the rejection / acceptance and payment of consideration for the acquired share	June 05, 2023 (Monday)

\*Identified Date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except Acquirers, persons deemed to be acting in concert with Acquirers and the Sellers of the Target Company) are eligible to participate in the offer anytime before the closure of the Offer.

**VIII. PROCEDURE FOR TENDERING THE SHARES:**