

DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 3(1) AND REGULATION 4 READ WITH REGULATION 13(4), 14(3), 15(2) AND OTHER APPLICABLE REGULATIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AND SUBSEQUENT AMENDMENT THERETO, TO THE PUBLIC SHAREHOLDERS OF

# MOONGIPA SECURITIES LIMITED

Registered Office: 18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi – 110005  
Email ID : [moongipas@gmail.com](mailto:moongipas@gmail.com); Website : [www.moongipa.net](http://www.moongipa.net)

OPEN OFFER FOR THE ACQUISITION OF UPTO 13,02,652 (THIRTEEN LACS TWO THOUSAND SIX HUNDRED AND FIFTY TWO) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF INR 10.00 (INDIAN RUPEES TEN ONLY) EACH ('EQUITY SHARES') FROM THE PUBLIC SHAREHOLDERS OF MOONGIPA SECURITIES LIMITED ('MSL' / 'TC' / 'TARGET COMPANY') HAVING ITS REGISTERED OFFICE AT 18/14, W.E.A. PUSALANE, KAROL BAGH, NEW DELHI - 110005, BY MR. RAHUL GUPTA ('ACQUIRER 1') PRESENTLY RESIDING AT G-8, MAHARANI BAGH, NEW DELHI - 110065 AND MR. ROHAN GUPTA ('ACQUIRER 2') PRESENTLY RESIDING AT 106, HARGOBIND ENCLAVE, VIKAS MARG, DELHI - 110092 (HEREINAFTER COLLECTIVELY REFERRED TO AS 'ACQUIRERS'), AT AN OFFER PRICE OF INR 17.00 (INDIAN RUPEES SEVENTEEN ONLY) PER EQUITY SHARE ('OFFER').

This Detailed Public Statement ('DPS') is being issued by Corporate Professionals Capital Private Limited, the Manager to the Offer ('Manager'), for and on behalf of the Acquirers to the Public Shareholders of the Target Company ('Shareholders'), pursuant to and in compliance with the provisions of Regulation 13(4), Regulation 14(3) and Regulation 15(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (if any) ('SEBI (SAST) Regulations') and pursuant to the Public Announcement ('PA') made on August 20, 2021 with BSE LIMITED ('BSE'), SECURITIES AND EXCHANGE BOARD OF INDIA ('SEBI') and the TARGET COMPANY in terms of the provisions of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, read with other applicable Regulations of SEBI (SAST) Regulations, if any.

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

### A. INFORMATION ABOUT THE ACQUIRERS ABOUT MR. RAHUL GUPTA ('ACQUIRER 1')

- A.1. Acquirer 1 having PAN BDIPG3993A is the son of Mr. Sanjay Gupta, presently residing at G-8, Maharani Bagh, New Delhi - 110065; Ph. No.: +91-9810086439; Fax No.: NA; Email: [contact@rahulgupta.co](mailto:contact@rahulgupta.co)
- A.2. Acquirer 1 has completed B.Com (Hons) from Delhi University and has also completed executive courses in the field of Management from reputed B-Schools like London School of Economics, Indian Institute of Management, Ahmedabad. He is an entrepreneur with an experience of more than 6 years in Steel Tubes manufacturing business and has handled operational management, marketing and institutional sales. He is the recipient of 'Young Achiever Award' for Organisation Building at Global HR Summit 2017.
- A.3. The Net Worth of Acquirer 1 as on July 31, 2021 is INR 271.94 crores (Indian Rupees Two Hundred Seventy One Crores and Ninety Four Lacs Only) as certified by Mr. Praveen Kumar Jain (Membership No.: 82515), Partner of VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part - II, New Delhi - 110049; Ph. No.: +91-11-41641415, +91-11-41645051; Email ID: [info@vaps.co.in](mailto:info@vaps.co.in) vide its certificate dated August 20, 2021.
- A.4. As on the date of PA, Acquirer 1 does not hold any shares in the Target Company. Acquirer 1 has not acquired any equity shares of the Target Company from the date of PA till the date of this DPS.
- A.5. As on the date of PA, Acquirer 1 does not hold any interest in the Target Company.

### ABOUT MR. ROHAN GUPTA ('ACQUIRER 2')

- A.6. Acquirer 2 having PAN CFAPG2443C is the son of Mr. Sanjay Gupta, presently residing at 106, Hargobind Enclave, Vikas Marg, Delhi - 110092; Ph. No.: +91999666685; Fax No.: NA; Email: [rohanbtlid@yahoo.com](mailto:rohanbtlid@yahoo.com)
- A.7. Acquirer 2 is a young and dynamic entrepreneur and has done his Bachelors of Business Administration ('BBA') from Amity University, Noida. Presently, he holds an experience of nearly 2 years in Finance and Operations in manufacturing industry.
- A.8. The Net Worth of Acquirer 2 as on July 31, 2021 is INR 122.56 Crores (Indian Rupees One Hundred Twenty Two Crores and Fifty Six Lacs Only) as certified by Mr. Praveen Kumar Jain (Membership No.: 82515), Partner of VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part - II, New Delhi - 110049; Ph. No.: +91-11-41641415, +91-11-41645051; Email ID: [info@vaps.co.in](mailto:info@vaps.co.in) vide its certificate dated August 20, 2021.
- A.9. As on the date of PA, Acquirer 2 does not hold any shares in the Target Company. Acquirer 2 has not acquired any equity shares of the Target Company from the date of PA till the date of this DPS.
- A.10. As on the date of PA, Acquirer 2 does not hold any interest in the Target Company.

### ABOUT THE ACQUIRERS

- A.11. There is no Person Acting in Concert ('PAC') with the Acquirers in this Takeover Open Offer.
- A.12. Acquirer 1 and Acquirer 2 are brothers.
- A.13. As on the date of PA, Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ('SEBI Act') as amended or under any other regulation made under the SEBI Act.
- A.14. As on the date of PA, Acquirers have not been categorized in the list of wilful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by Reserve Bank of India.
- A.15. As on the date of PA, Acquirers have not been categorized as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

### B. INFORMATION ABOUT THE SELLERS:

- B.1. The details of the Sellers are as follows:

Name of the Seller	Nature of the entity	Part of Promoter group	Residential Address/ Registered Office	Shareholding/ Voting rights before the underlying transaction	% of Total voting Capital
Mr. Suresh Chander Jain	Individual	Yes	61/2, Ramjas Road, Karol Bagh, New Delhi - 110005	249,148	4.97
Mr. Sanjay Jain	Individual	Yes	61/2, Ramjas Road, Karol Bagh, Delhi - 110005	249,000	4.97
Ms. Pooja Jain	Individual	Yes	61/2, Ramjas Road, Karol Bagh, New Delhi - 110005	2,48,250	4.95
Ms. Nirmal Jain	Individual	Yes	61/2, Ramjas Road, Karol Bagh, New Delhi - 110005	244,645	4.88
Sanjay Jain and Sons HUF	HUF	Yes	61/2, Ramjas Road, Karol Bagh, New Delhi - 110005	241,652	4.82
Ms. Rosy Gupta	Individual	Yes	6/3A, First Floor, Roop Nagar, New Delhi - 110007	232,400	4.64
Suresh Chander Jain and Sons HUF	HUF	Yes	61/2, Ramjas Road, Karol Bagh, New Delhi - 110005	221,846	4.43
Ms. Ruchi Jain	Individual	Yes	61/2, Ramjas Road, Karol Bagh, New Delhi - 110005	217,997	4.35
Mr. Vimal Kumar Mehta	Individual	Yes	WP 183-C, Pitam Pura, New Delhi - 110088	102,490	2.05
Moongipa Capital Finance Limited	Company	Yes	18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi - 110005	810,725	16.18
<b>TOTAL</b>				<b>28,18,153</b>	<b>56.25</b>

- B.2. The Sellers have agreed to transfer 28,18,153 (Twenty Eight Lacs Eighteen Thousand One Hundred and Fifty Three Only) Equity Shares representing 56.25% of the paid up equity share capital of the Target Company of face value of INR 10.00/- (Indian Rupees Ten Only) at a price of INR 17/- (Indian Rupees Seventeen Only) per Equity Share of the Target Company to the Acquirers under Share Purchase Agreement ('SPA').
- B.3. There is no lien, encumbrances or lock-in on the shares held by the Sellers and these shares will be transferred free from all liens whatsoever, all encumbrances and free from all lock-in requirements.
- B.4. As on the date of PA and as per the confirmation received from Sellers, none of the Sellers as mentioned above are not prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act, 1992 and subsequent amendments thereto or under any other regulations made under the SEBI Act, 1992.

### C. INFORMATION ABOUT THE TARGET COMPANY- MOONGIPA SECURITIES LIMITED ('TARGET COMPANY' or 'TC' or 'MSL')

- C.1. The Target Company having CIN L74899DL1994PLC057941, was incorporated under the provisions of Companies Act, 1956 with the name and style of Moongipa Securities Private Limited on March 18, 1994. Subsequently, the Target Company got itself converted into a Public Limited Company in the name and style of Moongipa Securities Limited on November 13, 1995. The Target Company came out with Initial Public Offer ('IPO') in year 1996 and the equity shares of the Target Company got listed on the bourses of Ahmadabad Stock Exchange Limited, Jaipur Stock Exchange Limited and Delhi Stock Exchange Limited. Further, on July 08, 2015, the Target Company got directly listed on the bourses of BSE. The Target Company was registered as Stock Broker with SEBI since 1996, however, further surrendered its license in year 2008. Thereafter, the Target Company started carrying out the operations of trading into the equity shares of the various listed companies with its own funds. Then, in the year 2018, the Target Company applied for the registration as a Non-Banking Financial Company ('NBFC') with the Reserve Bank of India and has obtained the certificate of registration numbered N-14.03416 dated May 16, 2018.
- C.2. The registered office of the Target Company is situated at 18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi - 110005, India.
- C.3. The Equity Shares of Target Company are listed and traded on the bourses of BSE and are not frequently traded within the meaning of definition of 'frequently traded shares' under clause (j) of sub-regulation (1) of Regulation (2) of the SEBI (SAST) Regulations as on the date of PA.
- C.4. The authorized share capital of the Target Company is INR 6,00,00,000/- (Indian Rupees Six Crore only) divided into 60,00,000 (Sixty Lacs) Equity Shares of INR 10.00/- (Indian Rupees Ten Only) each. The paid-up equity share capital of the Target Company is 5,01,02,000/- (Indian Rupees Five Crores One Lac and two thousand Only) divided into 50,10,200 (Fifty Lacs Ten Thousand and Two Hundred) Equity Shares of INR 10.00/- (Indian Rupees Ten Only) each.
- C.5. Presently, there are no outstanding partly-paid up shares in the Target Company.
- C.6. The key financial information of the Target Company based on the financial statements for the financial year ended March 31, 2019, March 31, 2020 and March 31, 2021 are as follows:

S. No.	Particulars	Year ended March 31, 2019 (Audited)	Year ended March 31, 2020 (Audited)	Year ended March 31, 2021 (Audited)
1.	Total Revenue	32.78	49.11	239.50
2.	Net Income	(34.26)	(99.75)	157.92
3.	Earnings Per share (In INR)	(0.68)	(1.99)	3.15
4.	Net worth/ shareholders' funds	750.86	651.11	809.03

### D. DETAILS OF THE OPEN OFFER:

- D.1. The Offer is a Triggered/ Mandatory offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations.
- D.2. The Acquirers have made this Open Offer to acquire upto 13,02,652 (Thirteen Lacs Two Thousand Six Hundred and Fifty Two) Equity Shares representing 26.00% of the total paid up equity share capital of the Target Company at a price of INR 17/- (Indian Rupees Seventeen only) per fully paid-up equity share payable in cash, subject to the terms and conditions as set out in PA, this DPS and the Letter of Offer, that will be sent to the all the Public Shareholders of the Target Company.
- D.3. This Offer is made to the Public Shareholders of the Target Company, except Acquirers, person acting in concert with Acquirers and the parties to the underlying agreement i.e. SPA including persons deemed to be acting in concert with such parties in terms of the provisions of Regulation 7(6) of SEBI (SAST) Regulations.
- D.4. The Public Shareholders who will tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges and encumbrances. The Offer Shares will be acquired, subject to such Shares being validly tendered in this Offer, together with all the rights attached thereto, including all the rights to dividends, bonuses and rights offered thereof, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Shares.
- D.5. The Acquirers would make an application to RBI for the acquisition of shares and control over the Target Company under SPA in terms of RBI Circular numbered 065/03.10.001/2015-16 dated July 09, 2015. In case of non-receipt of approval from RBI for the transfer of shares and control under SPA, the transaction contemplated under the SPA would be rescinded and the Offer would be withdrawn in terms of the provisions of clause (a) of sub-regulation (1) of Regulation 23 of SEBI (SAST) Regulations.
- D.6. To the best of the knowledge of the Acquirers, apart from the approval required from RBI for the acquisition of 82.25% shares and control over the Target Company, no statutory and other approval(s) are required to complete the acquisition of underlying SPA under this Offer other than as indicated in Part V (Statutory and other Approvals). However, in case the Acquirers would require any statutory approval(s) which may become applicable at a later date but before the closure of the Tendering Period, then this Offer shall be subject to such further statutory approvals being obtained. In terms of clause (a) of sub-regulation (1) of Regulation 23 of SEBI (SAST) Regulations, if the statutory approvals are not received or refused, the offer would stand withdrawn.
- D.7. Where any statutory or other approval extends to some but not all of the Shareholders, the Acquirers shall have the option to make payment to such Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.

- D.8. This Offer is not conditional on any minimum level of acceptance by the shareholders of the Target Company. The Acquirers will acquire the Equity Shares of the Target Company that are validly tendered as per the terms of the Offer upto a maximum of 13,02,652 (Thirteen Lacs Two Thousand Six Hundred and Fifty Two) Equity Shares representing 26.00% of the paid up equity share capital of the Target Company at a price of INR 17/- (Indian Rupees Seventeen only) per fully paid-up equity share of the Target Company.
- D.9. This is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- D.10. In case of delay in receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations shall be adhered to i.e. extension of time to Acquirers for payment of consideration to the shareholders of the Target Company shall be allowed subject to the Acquirers agreeing to pay interest at the rate of 10% per annum.
- D.11. In terms of the provisions of Regulation 18(11A) of SEBI (SAST) Regulations, if the Acquirers would not be able to make payment to shareholders on account of reasons other than delay in receipt of any statutory approval, the Acquirers shall pay interest for the period of delay to all such shareholders whose shares have been accepted in the open offer, at the rate of 10% per annum, however, if the situation warrants, waiver may be granted by SEBI for payment of interest on the Offer Price.
- D.12. Further, in case the delay occurs because of wilful default by the Acquirers in obtaining any statutory approval in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of the SEBI (SAST) Regulations.
- D.13. The Equity Shares of the Target Company will be acquired by the Acquirers 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.

- E. Acquirers do not have any plans to alienate any significant assets of the Target Company or any of its subsidiaries 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. MSL'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 SEBI (SAST) Regulations.

- F. Upon completion of the Offer, assuming full acceptances in the Offer, Acquirers will hold 41,20,805 (Forty One Lacs Twenty Thousand Eight Hundred and Five) Equity Shares representing 82.25% of the Paid-up Share Capital of the Target Company as on the tenth working day after the closure of the Tendering Period.

- G. As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('SEBI (LODR) Regulations, 2015') read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the 'SCRR'), the Acquirers are required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to this Open Offer, the public shareholding in the Target Company will reduce below the Minimum Public Shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Acquirers undertake that they will take necessary steps to facilitate compliances of the Target Company with the relevant provisions of the Securities Contracts (Regulation) Rules, 1957 as amended, the Listing Agreement or corresponding provisions of SEBI (LODR) Regulations, 2015 and the Regulations 7(4) and 7(5) of the SEBI (SAST) Regulations, 2011 and will reduce the non-public shareholding within the time period mentioned therein.

## II. BACKGROUND TO THE OFFER

- A. The Acquirers have entered into a Share Purchase Agreement ('SPA') dated August 20, 2021 with the existing members of the promoter and promoter group of the Target Company naming Mr. Suresh Chander Jain, Mr. Sanjay Jain, Ms. Pooja Jain, Ms. Nirmal Jain, Sanjay Jain and Sons HUF, Ms. Rosy Gupta, Suresh Chander Jain and Sons HUF, Ms. Ruchi Jain, Mr. Vimal Kumar Mehta and Moongipa Capital Finance Limited ('Sellers') for acquisition of 28,18,153 (Twenty Eight Lacs Eighteen Thousand One Hundred and Fifty Three) Equity Shares representing 56.25% of the paid up equity share capital of the Target Company of face value of INR 10.00/- (Indian Rupees Ten Only) at a price of INR 17/- (Indian Rupees Seventeen Only) per Equity Share. The total consideration payable to Sellers by Acquirers is INR 4,79,08,601 (Indian Rupees Four Crores Seventy Nine Lacs Eight Thousand Six Hundred and One Only).
- B. This Open Offer is for acquisition of 26.00% of the total paid up equity share capital of the Target Company. After the completion of this Open Offer and pursuant to acquisition of equity shares under SPA and assuming full acceptance, the Acquirers will become the single largest Equity Shareholders with full majority, by virtue of which they shall be in a position to exercise effective control over the management and affairs of Target Company.
- C. The salient features of SPA are as follows:
- C.1. SPA dated August 20, 2021 between the Acquirers and Sellers for the acquisition of control and 28,18,153 (Twenty Eight Lacs Eighteen Thousand One Hundred and Fifty Three) Equity Shares representing 56.25% of the paid up equity share capital of the Target Company of face value of INR 10.00/- (Indian Rupees Ten Only) at a price of INR 17/- (Indian Rupees Seventeen Only) per Equity Share. The total consideration payable to Sellers by Acquirers is INR 4,79,08,601 (Indian Rupees Four Crores Seventy Nine Lacs Eight Thousand Six Hundred and One Only).
- C.2. Since the Target Company is an NBFC, the SPA is subject to approval of RBI for the acquisition of substantial shares and change in control and management in terms of the RBI Circular. Immediately upon signing of this Agreement, the Sellers shall approach the Target Company and ensure that the Target Company files necessary application to RBI for the acquisition of substantial shares and change in control and management in favour of the Acquirers.
- C.3. In case RBI approval is not received, the SPA would be rescinded and the Open Offer would be withdrawn in terms of the provisions of Regulation 23 of SEBI (SAST) Regulations.
- D. The objective behind acquisition of substantial shares and control over the Target Company is to enter into financial business. The Acquirers will appoint professional representatives on the Board of the Target Company upon acquisition of substantial shares and control over the Target Company, one such representative would be Mr. Anil Kumar Bansal, who is a former Executive Director of the Indian Overseas Bank having four decades of rich experience in the banking industry. The Acquirers will retain the existing Director(s)/ Employee(s) of the Target Company after the completion of Open Offer process and may upon their discretion can change the Board constitution and Employee structure of the Target Company.

## III. SHAREHOLDING AND ACQUISITION DETAILS

- A. The current and proposed shareholding of the Acquirers in the Target Company and the details of their acquisition are as follows:
- | Details   | Acquirer 1    |       | Acquirer 2    |       | Total         |       |
|---|---------------|-------|---------------|-------|---------------|-------|
|   | No. of Shares | %     | No. of Shares | %     | No. of Shares | %     |
| Shareholding as on the PA date  | 0             | 0.00  | 0             | 0.00  | 0             | 0.00  |
| Shares acquired between the PA date and the DPS date  | 0             | 0.00  | 0             | 0.00  | 0             | 0.00  |
| Post Offer shareholding (On Fully Diluted basis, as on 10 <sup>th</sup> working day after dosing of tendering period) | 20,60,403     | 41.12 | 20,60,402     | 41.12 | 41,20,805     | 82.25 |
- B. The Acquirers do not hold any Equity Shares in the Target Company.

## IV. OFFER PRICE

- A. The Equity Shares of the Target Company are listed and traded on BSE.
- B. The annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA date i.e. August 20, 2021 (August 2020 to July 2021) is as given below:
- | Stock Exchange | Time Period              | Total No. of equity shares traded during the twelve calendar months prior to the month of PA date | Total No. of Equity Shares | Annualised Trading Turnover (as % of Total Equity Shares) |
|----------------|--------------------------|---|----------------------------|---|
| BSE            | August 2020 to July 2021 | 2,30,749  | 50,10,200                  | 4.61  |
| <b>Total</b>   |                          |   | <b>50,10,200</b>           | <b>4.61</b>   |
- (Source : [www.bseindia.com](http://www.bseindia.com))
- C. The Equity Shares of the Target Company are listed and traded on BSE and are not frequently traded within the meaning of definition of 'frequently traded shares' in terms of the provisions of Regulation 2(1)(j) of the SEBI (SAST) Regulations) as on PA date.
- D. The Offer Price of INR 17/- (Indian Rupees Seventeen Only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

S. No.	Particulars	Price
(a)	The highest negotiated price per share of the target company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer	INR 17.00
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirer during 52 weeks immediately preceding the date of PA	Not Applicable
(c)	The highest price paid or payable for any acquisition by the Acquirer during 26 weeks immediately preceding the date of the PA	Not Applicable
(d)	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period	Not Applicable, since the equity shares of the Target Company are infrequently traded
(e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager to the Offer considering valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.	INR 16.15
<b>Other Parameters</b>		<b>Based on the audited financial data for the year ended at March 31, 2021</b>
Book Value per share		INR 16.15
Comparable Trading Multiples Value and Other Valuation Parameters		Not Applicable

Source: As certified by CA Manish Kumar Bubna, Partner of Ambani & Associates LLP, Chartered Accountants having office at A-387, Gurnunank Pura, 104, Gurgaon Complex, Opp. V3S Mall, Laxmi Nagar, Delhi - 110092; Tel. No.: +91-9810904100; Fax No.: NA; Email ID: [ca.manish.bubna@gmail.com](mailto:ca.manish.bubna@gmail.com) vide certificate dated August 19, 2021.

- E. 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 INR 17/- (Indian Rupees Seventeen Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.
- F. 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.
- G. In the event of further acquisition of Equity Shares of the Target Company by the Acquirers during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the acquirers shall not acquire any equity shares of the Target Company between one working day prior to the commencement of the tendering period and until the expiry of the tendering period.
- H. If the Acquirers acquire equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in 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 an 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 shares of the Target Company in any form.
- I. 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 comply with Regulation 18(4) and Regulation 18(5) of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations, which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.
- J. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to one (1) working day before the date of commencement of the tendering period and would be notified to the shareholders.
- K. The Completion of the acquisition of shares and control over the Target Company under SPA and this open offer is subject to the approval of RBI and conditions stipulated in the SPA.
- L. In case of delay in receipt of any statutory approval, Regulation 18(11) of the SEBI (SAST) Regulations shall be adhered to i.e. extension of time to Acquirers for payment of consideration to the shareholders of the Target Company shall be allowed subject to the Acquirer agreeing to pay interest at such rate as may be specified.

- M. In terms of the provisions of Regulation 18(11A) of SEBI (SAST) Regulations, if the Acquirers would not be able to make payment to shareholders on account of reasons other than delay in receipt of any statutory approval, the acquirers shall pay interest for the period of delay to all such shareholders whose shares have been accepted in the open offer, at the rate of 10% per annum, however, if the situation warrants, waiver may be granted by SEBI for payment of interest.
- N. Further, in case the delay occurs because of wilful default by the Acquirers in obtaining any statutory approval in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of the SEBI (SAST) Regulations.
- V. FINANCIAL ARRANGEMENTS
- A. The total fund requirement for the Open Offer (assuming full acceptances) i.e. for the acquisition upto 13,02,652 (Thirteen Lacs Two Thousand Six Hundred and Fifty Two) Equity Shares representing 26.00% of the total paid-up equity share capital of the Target Company at an Offer Price of INR 17/- (Indian Rupees Seventeen Only) per fully paid up equity share is INR 2,21,45,084 (Indian Rupees Two Crores Twenty One Lacs Forty Five Thousand and Eighty Four Only) (the 'Maximum Consideration').
- B. Acquirers have adequate resources and have 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 additional fund requirement, if any, for acquisition in terms of the SPA and this Open Offer will be financed through the internal resources of the Acquirers.
- C. The Acquirer, the Manager to the Offer and YES Bank Limited, a company incorporated under the Companies Act, 1956, and carrying on business as a banking company under Banking Regulations Act, 1949 having one of its branch offices at D-12, South Extension Part-II, New Delhi - 110049, have entered into an Escrow Agreement dated August 20, 2021 for the purpose of the Offer (the 'Offer Escrow Agreement') in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Escrow Agreement dated August 20, 2021 for the purpose of the Offer (the 'Offer Escrow Agreement') and in accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have deposited cash of INR 55,36,271 (Indian Rupees Fifty Five Lacs Thirty Six Thousand Two Hundred and Seventy One Only) ('Security Deposit') being 25% of the Maximum Consideration in an Escrow Account bearing name and style as 'CPCL-MSL-OPEN OFFER ESCROW ACCOUNT', (the 'Escrow Account') opened with YES Bank Limited.
- D. In case of upward revision in the Offer price or Offer size, the Acquirers shall deposit additional funds in the Offer Escrow Account as required under Regulation 17(2) of the SEBI (SAST) Regulations.
- E. The Acquirers have authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- F. CA Praveen Kumar Jain (Membership No.: 82515), Partner of VAPS & Co., Chartered Accountants having office at C-42, South Extension, Part - II, New Delhi - 110049; Ph. No.: +91-11-41641415, +91-11-41645051; Email ID: [info@vaps.co.in](mailto:info@vaps.co.in) vide its certificate dated August 20, 2021, has certified that the Acquirers have sufficient resources to meet the fund requirement for the obligation of open offer of the Target Company.
- G. Based on the above and in the 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 their obligations through verifiable means in relation to the Offer in accordance with the Regulations.

## VI. STATUTORY AND OTHER APPROVALS

- A. To the best of the knowledge of the Acquirers, apart from the approval required from RBI for acquisition of 82.25% shares and control over the Target Company, no statutory or other approvals are required to acquire shares under the Open Offer as on the date of this DPS. If, however, any statutory or other approval becomes applicable prior to completion of such acquisitions, the Offer would also be subject to such other statutory or other approval(s) being obtained. Acquirers will not proceed with the Offer in the event such approval of RBI or other statutory approvals that are required if refused, in terms of Regulation 23(1)(a) of SEBI (SAST) Regulations. This Offer is subject to all other statutory approvals that may become applicable at the later (which are not applicable on the date of DPS) before the completion of the Open Offer.
- B. If the holders of the Equity Shares who are not persons resident in India (including Non-Resident Indians ('NRIs'), Overseas Corporate Bodies ('OCBs') and registered foreign portfolio investors) require any approvals (including from RBI, the Foreign Investment Promotion Board or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.
- C. The NRIs and OCBs holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to the Offer and submit such approvals to the Manager to the Offer and Registrar to the Offer and other documents required to accept the Offer.
- D. Where any statutory or other approval extends to some but not all of the Shareholders, the Acquirers shall have the option to make payment to such Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.
- E. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- F. In terms of the provisions of Regulation 18(11A) of SEBI (SAST) Regulations, if the Acquirers would not be able to make payment to shareholders on account of reasons other than delay in receipt of any statutory approval, the acquirer shall pay interest for the period of delay to all such shareholders whose shares have been accepted in the open offer, at the rate of 10% per annum, however, if the situation warrants, waiver may be granted by SEBI for payment of interest on the Offer Price.
- G. Further, in case the delay occurs because of wilful default by the Acquirers in obtaining any statutory approval in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of the SEBI (SAST) Regulations.
- H. The Acquirers do not require any approval from financial institutions/banks in India or overseas for the Offer.
- I. The Manager to the Offer i.e. Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer until the expiry of 15 days from the date of closure of this Open Offer.

## VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Date	Day
Public Announcement	August 20, 2021	Friday
Detailed Public Statement	August 27, 2021	Friday
Filing of draft offer document with SEBI	September 03, 2021	Friday
Identified Date*	September 29, 2021	Wednesday
Last date for a competing offer	September 20, 2021	Monday
Comments on the Offer by a Committee of Independent Directors constituted by the BODs of the Target Company	October 11, 2021	Monday
Date by which Letter of Offer will be dispatched to the shareholders	October 06, 2021	Wednesday
Upward Revision in Offer	October 11, 2021	Monday
Issue of advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company	October 12, 2021	Tuesday
Offer Opening Date	October 13, 2021	Wednesday
Offer Closing Date	October 28, 2021	Thursday
Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/return of unaccepted shares	November 15, 2021	Monday
Filing of Report to SEBI by Manager to the Offer	November 23, 2021	Tuesday