

DETAILED PUBLIC STATEMENT IN TERMS OF REGULATION 3(2) 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

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OPEN OFFER FOR THE ACQUISITION OF UPTO 74,74,740 (SEVENTY FOUR LAKH SEVENTY FOUR THOUSAND SEVEN HUNDRED AND FORTY) 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. PUSA LANE, KAROL BAGH, NEW DELHI - 110005. BY MR. RAHUL GUPTA (ACQUIRER 1) PRESENTLY RESIDING AT G-8, MAHARANI BAGH, NEW DELHI - 110005. MR. ROHAN GUPTA (ACQUIRER 2) PRESENTLY RESIDING AT G-8, MAHARANI BAGH, NEW DELHI - 110005 (HEREINAFTER COLLECTIVELY REFERRED TO AS 'ACQUIRERS') ALONG WITH SUDESH BUSINESS VENTURES PRIVATE LIMITED HAVING REGISTERED OFFICE AT H. NO. 37, GROUND FLOOR, HARGOVIND ENCLAVE, DELHI - 110092 (HEREINAFTER REFERRED TO AS 'PERSON ACTING IN CONCERT' / 'PAC'), AT AN OFFER PRICE OF INR 101/- (INDIAN RUPEES ONE HUNDRED AND ONE 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 and PAC 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 July 25, 2022, Monday with BSE LIMITED ('BSE'), SECURITIES AND EXCHANGE BOARD OF INDIA ('SEBI') and the TARGET COMPANY in terms of the provisions of Regulation 3(2) of SEBI (SAST) Regulations, read with other applicable Regulations of SEBI (SAST) Regulations, if any.

For the purpose of this DPS, the following terms have the same meanings as assigned to them below:

- a) 'Acquirers' means and includes Mr. Rahul Gupta and Mr. Rohan Gupta.
- b) 'Equity Shares' means the fully paid-up Equity Shares of face value of INR 10.00 (Indian Rupees Ten) each of the Target Company.
- c) 'Expanded Share Capital' means the paid-up Equity Share Capital of the Target Company post to the Preferential Issue of Equity Shares i.e. INR 28,74,90,000 (Indian Rupees Twenty Eight Crores Seventy Four Lakhs Ninety Thousand Only) divided into 2,87,49,000 (Two Crores Eighty Seven Lakhs and Forty Nine Thousand) Equity Shares of INR 10 (Indian Rupees Ten only) each. This does not envisage the conversion of warrants into equity shares because as per the confirmation received from the Target Company, conversion of warrants into equity shares shall be done only upon expiry of six (6) months from the date of allotment of the warrants but before the expiry of eighteen (18) months from the date of allotment of warrants in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('SEBI (ICDR) Regulations').
- d) 'Pre-Issue Paid-up Share Capital' means the paid-up Equity Share Capital of the Target Company prior to the Preferential Issue of Equity Shares i.e. INR 5,01,02,000 (Indian Rupees Five Crores One Lakh and Two Thousand Only) representing 50,10,200 (Fifty Lakh Ten Thousand and Two Hundred) equity shares of INR 10 (Indian Rupees Ten only) each.
- e) 'Preferential Issue of Equity Shares' means the preferential issue of fully paid up 2,37,38,800 (Two Crore Thirty Seven Lakh Thirty Eight Thousand and Eight Hundred) Equity Shares of INR 10 (Indian Rupees Ten only) each Equity Shares as approved by the Board of Directors of the Target Company at their meeting held on July 25, 2022, subject to the approval of the members and other regulatory approvals required if any.
- f) 'Preferential Issue of Warrants' means the issuance of 72,51,000 (Seventy Two Lakh and Fifty One Thousand) Warrants which are convertible into equal number of Equity Shares of face value of INR 10 (Indian Rupees Ten only) each as approved by the Board of Directors of the Target Company at their meeting held on July 25, 2022, subject to the approval of the members and other regulatory approvals required if any. The conversion of warrants into equity shares shall be done only upon expiry of six (6) months from the date of allotment of the warrants but before the expiry of eighteen (18) months from the date of allotment of warrants in terms of SEBI (ICDR) Regulations.
- g) 'Public Shareholders' shall mean all the shareholders of the Target Company who are eligible to tender their Equity Shares in the Offer, except the Acquirers, person acting in concert with the Acquirers, existing members of the promoter and promoter group of the Target Company, person acting in concert with the member of promoter and promoter group.
- h) 'Target Company' / 'MSL' means Moongipa Securities Limited.

I. ACQUIRERS, PAC, TARGET COMPANY AND OFFER INFORMATION ABOUT THE ACQUIRERS AND PAC 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 - 110005; Ph. No.: +91-9810086439; Fax No.: NA; Email: rahulniti@vsnl.com.
- 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 (IIM-A). 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 25, 2022 is INR 221.11 crores (Indian Rupees Two Hundred Twenty One Crores and Eleven Lakh Only) as certified by CA Ashish Niraj (Membership No.: 517934). Partner of ASN & Company, Chartered Accountants having corporate office at F-106, Plot No. 6, Pocket-7, Vardhaman Bahnhof Plaza, Dwarka, Sector -12, Delhi - 110075; Ph. No.: +91-9650333560, +91-8700636192, +91-43466605; Email ID: ashish.fca@gmail.com vide its certificate dated July 25, 2022 having UDIN - 22517934ANTKWA6885.
- A.4. As on the date of PA, Acquirer 1 was not holding any shares in the Target Company.
- A.5. After the date of PA and prior to the publication of DPS, Acquirer 1 has acquired 8,10,725 (Eight Lakh Ten Thousand Seven Hundred and Twenty Five) equity shares representing 16.18% of the Pre-Issue Paid-up Share Capital of the Target Company, pursuant to the execution of the Share Purchase Agreement entered on August 20, 2021 with the erstwhile promoters of 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 G-8, Maharani Bagh, New Delhi - 110005; Ph. No.: +91999966685; Fax No.: NA; Email: rohannti@vsnl.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 more than 1 year in Marketing and Branding in manufacturing industry.
- A.8. The Net Worth of Acquirer 2 as on July 25, 2022 is INR 112.07 Crores (Indian Rupees One Hundred Twelve Crores and Sixty Lakh Only) as certified by CA Ashish Niraj (Membership No.: 517934). Partner of ASN & Company, Chartered Accountants having corporate office at F-106, Plot No. 6, Pocket-7, Vardhaman Bahnhof Plaza, Dwarka, Sector -12, Delhi - 110075; Ph. No.: +91-9650333560, +91-8700636192, +91-43466605; Email ID: ashish.fca@gmail.com vide its certificate dated July 25, 2022 having UDIN - 22517934ANTLHV4885.
- A.9. As on the date of PA, Acquirer 2 was not holding any shares in the Target Company.
- A.10. After the date of PA and prior to the publication of DPS, Acquirer 1 has acquired 10,61,941 (Ten Lakh Sixty One Thousand Nine Hundred and Forty One) equity shares representing 21.20% of the Pre-Issue Paid-up Share Capital of the Target Company, pursuant to the execution of the Share Purchase Agreement entered on August 20, 2021 with the erstwhile promoters of the Target Company.

ABOUT SUDESH BUSINESS VENTURES PRIVATE LIMITED (PAC)

- A.11. PAC is the private limited company having CIN U2710BDL2021PTC377932, incorporated on March 04, 2021 under the provisions of the Companies Act, 2013. The registered office of PAC is situated at H. No. 37, Ground Floor, Hargovind Enclave, Delhi - 110092.
- A.12. PAC is not engaged in any major business activity as on date of this DPS.
- A.13. The present authorized share capital of the PAC is INR 1,00,000 (Indian Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of INR 10 (Indian Rupees Ten) each. The paid-up share capital of the PAC is INR 1,00,000 (Indian Rupees One Lakh Only) divided into 10,000 (Ten Thousand) Equity Shares of INR 10 (Indian Rupees Ten) only each.
- A.14. The persons in control/promoters of the PAC along with their shareholding are mentioned below:
- | Sr. No. | Name of the Shareholders | No. of shares held | % |
|---------|--------------------------|--------------------|---------------|
| 1. | Acquirer 1 | 5,000 | 50.00 |
| 2. | Acquirer 2 | 5,000 | 50.00 |
| | Total | 10,000 | 100.00 |

- A.15. PAC was incorporated on March 04, 2021, thus the financial information for the financial year ended March 31, 2021, March 31, 2022 and for the period ending June 30, 2022 is provided hereunder:

(INR in Lacs)				
Sr. No.	Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2021 (Unaudited)	For the period ended April 01, 2022 to July 25, 2022 (Provisional)
1.	Total Revenue	0.00	0.00	(1,954.55)
2.	Net Income	(0.25)	(0.25)	(2026.70)
3.	Earnings Per Share (In INR)	0.00	0.00	0.00
4.	Net worth/ Shareholders' funds	0.75	0.50	(2026.20)

Source - As certified by CA Amit Bansal (Membership No. 506269, Proprietor of Bansal Amit and Associates, Chartered Accountants (UDIN -22506269AHYBRT1965) having office at Office: 203, New Shivalki CGHSIL, Plot No. 4, Sec - 51, Gunagam, Haryana : Ph. No.: +91-9910944011; Email ID: amit.bansal.fca@aksoa.com vide its certificate dated July 25, 2022.

- A.16. As on the date of the Public Announcement, PAC does not hold any shares or interest in the Target Company.

ABOUT THE ACQUIRERS

- A.17. The Acquirers had entered into a Share Purchase Agreement on August 20, 2021 ('SPA') with the erstwhile promoters of the Company for acquisition of control and 28,18,153 (Twenty Eight Lakh Eighteen Thousand One Hundred and Fifty Three) Equity Shares representing 56.25% of the Pre-Issue Paid-up Share Capital of the Target Company, pursuant to which an Open Offer was made to acquire 13,02,652 (Thirteen Lakh Two Thousand Six Hundred and Fifty Two) Equity Shares representing 26.00% of the Pre-Issue Paid-up Share Capital of the Target Company in terms of the provisions of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations. The said acquisition of shares under SPA and said Open Offer was subject to the approval from Reserve Bank of India ('RBI') pursuant to its Circular No. DNBR (PD) CC.No. 065/03,10,001/2015-16 dated July 9, 2015. The RBI approval for the acquisition of control and 82.25% shares of Target Company by the Acquirers was received on June 20, 2022. Under the last Open Offer, Nil shares were tendered by the Public Shareholders and thus the Open Offer process was duly completed on July 22, 2022. On July 25, 2022, the Board of the Target Company has effected the change in control and management in the Target Company, by appointing the Acquirers as the Directors of the Target Company.

- A.18. As on the date of PA, Acquirers were classified as the Promoter of the Target Company, holds position on the Board of the Target Company and control the management and affairs of the Target Company.

ABOUT THE ACQUIRERS AND PAC

- A.19. Acquirer 1 and Acquirer 2 are brothers. PAC is a private company controlled by Acquirers together.
- A.20. As on the date of PA, Acquirers and PAC 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.21. As on the date of PA, Acquirers and PAC have not been categorized in the list of willful defaulters of any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by Reserve Bank of India.
- A.22. As on the date of PA, Acquirers and PAC have not been categorized as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

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

- B.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 number N-14.03416 dated May 16, 2018.
- B.2. The registered office of the Target Company is situated at 18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi - 110005, India.
- B.3. The Equity Shares of Target Company are listed and traded on the bourses of BSE and are 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.
- B.4. The authorized share capital of the Target Company as on date of DPS is INR 6,00,00,000/- (Indian Rupees Six Crore only) divided into 60,00,000 (Sixty Lakh) 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 Lakh and Two thousand Only) divided into 50,10,200 (Fifty Lakh Ten Thousand and Two Hundred) Equity Shares of INR 10.00/- (Indian Rupees Ten Only) each.
- B.5. Presently, there are no outstanding partly paid-up shares in the Target Company.
- B.6. The key financial information of the Target Company based on the financial statements for the financial year ended March 31, 2020, March 31, 2021 and March 31, 2022 are as follows:

(INR in Lacs)				
Sr. No.	Particulars	Year ended March 31, 2021 (Audited)	Year ended March 31, 2021 (Unaudited)	Period ended June, 2022 (Provisional)
1.	Total Revenue	49.11	239.50	219.46
2.	Net Income	(99.75)	157.92	78.44
3.	Earnings Per share (In INR)	(1.99)	3.15	1.57
4.	Net worth/ shareholders' funds	651.11	809.03	887.47

C. DETAILS OF THE OPEN OFFER:

- C.1. The Offer is a Triggered/ Mandatory offer in terms of Regulation 3(2) of SEBI (SAST) Regulations.
- C.2. The Acquirers have made this Open Offer to acquire upto 74,74,740 (Seventy Four Lakh Seventy Four Thousand Seven Hundred and Forty) Equity Shares representing 26.00% of the Expanded Share Capital of the Target Company at a price of INR 101/- (Indian Rupees One Hundred and One 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.

- C.3. This Offer is made to the Public Shareholders of the Target Company.
- C.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 right offers declared thereof, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Shares.
- C.5. In case of acquisition of more than 26% shares in a NBFC, the prior approval of RBI is required in terms of RBI Circular No. DNBR (PD) CC.No. 065/03,10,001/2015-16 dated July 09, 2015 and since the Target Company is an NBFC, the Acquirers have sought an approval from RBI for the change in control and management over the Target Company and for the acquisition of 82.25% shares in the Target Company. The said approval was received on June 20, 2022 and is valid upto 6 months from the date of approval. Pursuant to the SPA, the Acquirers have acquired control and is in the process of completing the acquisition of 56.25% shares of the Target Company thus for the acquisition of 16.80% shares under preferential issue and for the acquisition of 26.00% shares under this Open Offer, the Acquirers would not require any further approval from RBI, if acquired within 6 months from the date of approval i.e. June 20, 2022.
- In case the acquisition of shares under preferential issue and Open Offer would not be completed within validity of RBI approval period i.e. 6 months from June 20, 2022, then an application for seeking extension would be filed with RBI by the Acquirers and the Target Company and the acquisition under preferential issue and Open Offer would be subject to the extension of RBI.
- C.6. To the best of the knowledge of the Acquirers and PAC, apart from the shareholder approval for the Preferential Issue of Equity Shares and Preferential Issue of Warrants, no statutory and other approval(s) are required to complete the acquisition of Preferential Issue of Equity Shares and Preferential Issue of Warrants and acquisition under this Open Offer other than as indicated in Part V (Statutory and other Approvals). In case the acquisition of shares under preferential issue and Open Offer would not be completed within validity of RBI approval period i.e. 6 months from June 20, 2022, then an application for seeking extension would be filed with RBI by the Acquirers and the Target Company and the acquisition under preferential issue and Open Offer would be subject to the extension of RBI. 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.
- C.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.
- C.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 74,74,740 (Seventy Four Lakh Seventy Four Thousand Seven Hundred and Forty) Equity Shares representing 26.00% of the Expanded Share Capital of the Target Company at a price of INR 101/- (Indian Rupees One Hundred and One Only) per fully paid-up equity share of the Target Company.
- C.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.
- C.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.
- C.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.
- C.12. Further, in case the delay occurs because of willful 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.
- C.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.
- D. 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.
- E. Upon completion of the Offer, assuming full acceptances in the Offer, Acquirers will hold 2,84,74,740 (Two Crore Eighty Four Lakh Seventy Four Thousand Seven Hundred and Forty only) Equity Shares representing 99.05% of the Expanded Share Capital of the Target Company on the tenth working day after the closure of the Tendering Period.
- F. 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 Offer is a Triggered/ Mandatory offer in terms of Regulation 3(2) of SEBI (SAST) Regulations.
- B. The Board of Directors of the Target Company, at its meeting held on July 25, 2022, subject to inter alia, receipt of approval from the shareholders of the Target Company, fulfillment of certain conditions precedent and receipt of other statutory/ regulatory approval, as may be required, approved the issuance of Preferential Issue of Equity Shares and Preferential Issue of Warrants in the Target Company. Post to the acquisition of 56.25% shares as contemplated under SPA by the Acquirers and pursuant to the Preferential Issue of Shares, the shareholding of Acquirers will increase from 56.25% of Pre-Issue Paid-up Share Capital of the Target Company to 73.05% of the Expanded Share Capital of the Target Company, triggering the requirement to make an Open Offer under Regulation 3(2) of SEBI (SAST) Regulations.
- C. This Open Offer is for acquisition of 26.00% of the Expanded Share Capital of the Target Company.
- D. The objective behind acquisition of the shares in the Target Company is to increase the shareholding of Acquirers upto the level of maximum permissible promoter shareholding and to infuse funds in the Target Company for the expansion of the existing business 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		PAC		Total	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Shareholding as on the PA date	0	0.00	0	0.00	0	0.00	0	0.00
Shares acquired between the PA date and the DPS date*	8,10,725	16.18	10,61,941	21.20	0	0.00	18,72,666	37.38
Post Offer shareholding (On Fully Diluted basis, as on 10th working day after closing of tendering period) **	1,05,00,001	36.52	1,04,99,999	36.52	0#	0.00	2,10,00,000	73.05

*These shares are acquired by the Acquirers pursuant to completion of acquisition of shares under the SPA and the percentage is based on Pre-Issue Share Capital of the Target Company.

**The percentage is based on the Expanded Share Capital of the Target Company.

#PAC will not acquire any equity shares of the Target Company pursuant to conversion of warrants issued on July 25, 2022 till 10th working day after closing of tendering period as the conversion of warrants into equity shares shall be done only upon expiry of six (6) months from the date of allotment of the warrants but before the expiry of eighteen (18) months from the date of allotment of warrants in terms of SEBI (ICDR) Regulations.

- B. As on the date of PA, the Acquirers were not holding any Equity Shares in the Target Company. After the date of PA but prior to the publication of this DPS, the Acquirers have acquired 18,72,666 Equity Shares representing 37.38% of the Pre-Issue Paid-up Share Capital of 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. July 25, 2022 (July 2021 to June 2022) 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 | July 2021 to June 2022 | 12,51,470 | 50,10,200 | 24.98 |
| Total | | | 50,10,200 | 24.98 |

(Source: www.bseindia.com)

- C. The Equity Shares of the Target Company are listed and traded on BSE and are frequently traded within the meaning of definition of 'frequently traded shares' in terms of the provisions of Regulation 21(j) of the SEBI (SAST) Regulations) as on PA date.
- D. The Offer Price of INR 101/- (Indian Rupees One Hundred and One 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	Not Applicable
(b)	The volume-weighted average price paid or payable for acquisition by the Acquirers during 52 weeks immediately preceding the date of PA	Not Applicable
(c)	The highest price paid or payable for any acquisition by the Acquirers 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	INR 94.44/-
(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.	Not Applicable as the shares of the Target Company are frequently traded.

- 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 101/- (Indian Rupees One Hundred and One 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, 2021, 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. 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.
- L. 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.
- M. Further, in case the delay occurs because of willful 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 74,74,740 (Seventy Four Lakh Seventy Four Thousand Seven Hundred and Forty) Equity Shares representing 26.00% of the Expanded Share Capital of the Target Company at an Offer Price of INR 101/- (Indian Rupees One Hundred and One Only) per fully paid up equity share is INR 75,49,48,740/- (Indian Rupees Seventy Five Crores Forty Nine Lakh Forty Eight Thousand Seven Hundred and Forty 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 Regulation 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 July 25, 2022 for the purpose of the Offer (the 'Offer Escrow Agreement') in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Offer Escrow Agreement in accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have deposited cash of INR 18,87,37,185 (Indian Rupees Eighteen Crores Eighty Seven Lakh Thirty Seven Thousand One Hundred and Eighty Five Only) ('Security Deposit') being 25% of the Maximum Consideration in an Escrow Account bearing name and style as '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. 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 Ashish Niraj (Membership No.: 517934), Partner of ASN & Company, Chartered Accountants having corporate office at F-106, Plot No. 6, Pocket-7, Vardhaman Bahnhof Plaza, Dwarka, Sector -12, Delhi - 110075; Ph. No.: +91-9650333560, +91-8700636192, +91-43466605; Email ID: ashish.fca@gmail.com vide its certificate dated July 25, 2022 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