

PUBLIC ANNOUNCEMENT UNDER REGULATIONS 3(1), 4 AND 5A READ WITH REGULATIONS 13, 14, 15 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 ("SEBI SAST REGULATIONS") AND REGULATION 8 AND OTHER APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021 ("SEBI DELISTING REGULATIONS")

FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF
M/S. MANPHOOL EXPORTS LIMITED ("MEL" / "TARGET COMPANY")

OPEN OFFER FOR ACQUISITION OF UPTO 590070 (FIVE LAKHS NINETY THOUSAND AND SEVENTY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") REPRESENTING 71.33% OF THE TOTAL PAID- UP EQUITY AND VOTING SHARE CAPITAL OF THE TARGET COMPANY, ON A FULLY DILUTED BASIS, FROM THE EQUITY SHAREHOLDERS OF MEL BY MR. KARAN MEHTA RESIDENT OF 11, BALLYGUNGE PARK ROAD, KOLKATA - 700019 AND MR. KRISH AJMERA RESIDENT OF 29, BALLYGUNGE PARK ROAD, KOLKATA - 700019 (HEREINAFTER COLLECTIVELY REFERRED TO AS THE "ACQUIRERS").

THIS PUBLIC ANNOUNCEMENT ("PUBLIC ANNOUNCEMENT") IS BEING ISSUED BY M/S. VC CORPORATE ADVISORS PRIVATE LIMITED ("MANAGER TO THE OFFER") FOR AND ON BEHALF OF THE ACQUIRERS TO THE EQUITY SHAREHOLDERS OF THE TARGET COMPANY PURSUANT TO AND IN ACCORDANCE WITH REGULATIONS 3(1), (4) AND 5A OF THE SEBI SAST REGULATIONS AND THE APPLICABLE PROVISIONS OF THE SEBI DELISTING REGULATIONS.

IN ACCORDANCE WITH REGULATION 5A (1) OF THE SEBI (SAST) REGULATIONS, THE ACQUIRERS HAVE EXPRESSED THEIR INTENTION IN THIS PUBLIC ANNOUNCEMENT TO DELIST THE EQUITY SHARES OF THE TARGET COMPANY PURSUANT TO THIS OFFER. THE DELISTING OF THE EQUITY SHARES OF THE TARGET COMPANY IS PROPOSED TO BE IN ACCORDANCE WITH REGULATION 5A OF THE SEBI SAST REGULATIONS AND THE OTHER APPLICABLE PROVISIONS OF THE SEBI DELISTING REGULATIONS.

1. Definitions:

For the purpose of this Public Announcement, the following capitalised terms shall have the meaning assigned to them below:

- **"Base Price"** means the minimum price at which the Open Offer is required to be made which is determined in accordance with Regulations 8(1) and 8(2) of the SEBI SAST Regulations read with Regulation 8(7) of the SEBI SAST Regulations;
- **"Delisting Offer"** means the delisting offer pursuant to Regulation 5A of the SEBI SAST Regulations and applicable provisions of the SEBI Delisting Regulations;
- **"Equity Shares"** means fully paid-up equity shares of the Target Company of face value of Rs. 10/- (Rupees Ten Only) each.



- **“Minimum Tender Condition for Delisting”** means the Delisting Offer is subject to a minimum level of acceptance of 507346 (Five Lakhs Seven Thousand Three Hundred and Forty-Six) Equity Shares, representing 61.33% of the total paid- up equity and voting share capital of the Target Company.
- **“Open Offer”** means the Open Offer pursuant to Regulations 3(1), 4 and 5A other applicable provisions of the SEBI SAST Regulations;
- **“Public Shareholders”** means all the equity shareholders of the Target Company, but excluding: (i) the Acquirers; (ii) the Sellers; and (iii) the persons acting in concert with the persons set out in (i) - (ii) (if any);
- **“Required Approvals”** means approvals including the following: (i) a valid shareholders resolution approving the delisting of the equity shares of the Target Company through the Offer is passed in accordance with all the requirements of Regulation 11 of the SEBI Delisting Regulations; (ii) in-principle approval from the Stock Exchange for the delisting of the equity shares of the Target Company in accordance with Regulation 12 of the SEBI Delisting Regulations, (iii) any other statutory approvals required, if any.
- **“SEBI”** means the Securities and Exchange Board of India;
- **“Sellers”** means collectively, (i) Ajay Kumar Kayan; (ii) Lalita Kayan; (iii) Ajay Kumar Kayan HUF; (iv) C Mackertich Private Limited; and (v) Sudha Commercial Company Limited;
- **“Sale Shares”** means, all the Equity Shares held by the Sellers shall be considered as Sale Shares.
- **“SPA”** means the Share Purchase Agreement dated Monday, March 18, 2024 executed between the Acquirers and the Sellers;
- **“Stock Exchange”** means The Calcutta Stock Exchange Limited (**“CSE”**), i.e., the only Stock Exchange where equity shares of the Company are listed;
- **“Working Day”** means any working day of SEBI.

2. **Offer details:** For the purpose of this Public Announcement, the following capitalized terms shall have the meaning assigned to them below:

- **Offer Size:**

a) **Composite Offer Size:** The Acquirers hereby make this Offer to the Public Shareholders to acquire up to 590070 (Five Lakhs Ninety Thousand and Seventy) fully paid-up equity shares of face value of Rs. 10/- each (**“Offer Shares”**) representing 71.33% of the total paid- up equity and voting share capital of Target Company, at the Offer Price of Rs. 5/- (Rupees Five Only) per equity



share (*defined below*) for the Offer. The total consideration payable by the Acquirers to the Public Shareholders (assuming full acceptance) of the Offer at the Offer Price will be up to Rs. 29,50,350/- (Rupees Twenty-Nine Lakhs Fifty Thousand Three Hundred and Fifty Only) ("**Composite Offer Size**").

b) Open Offer Size: The Acquirers will complete the Open Offer by acquiring up to 215083 (Two Lakhs Fifteen Thousand and Eighty-Three) equity shares representing 26.00% of the total paid- up equity and voting share capital of the Target Company in accordance with Regulation 7(1) and other applicable provisions of the SEBI SAST Regulations if the Minimum Tender Condition is not achieved. The total consideration payable by the Acquirers to the Public Shareholders (assuming full acceptance) of the Open Offer at the Base Price will be up to Rs. 10,75,415/- (Rupees Ten Lakhs Seventy-Five Thousand Four Hundred and Fifteen Only) ("**Open Offer Size**").

This Offer is subject to the terms and conditions mentioned in this Public Announcement and to be set out in the Detailed Public Statement ("**DPS**") which shall be issued in accordance with the SEBI SAST Regulations and the Detailed Public Announcement ("**DPA**") and the Offer Letter which shall be issued in accordance with the SEBI Delisting Regulations.

- **Offer Price:** The equity shares of the Target Company are infrequently traded in terms of the SEBI SAST Regulations. The Offer Price is Rs. 5/- (Rupees Five Only) per equity share. Since the acquisition is a direct acquisition of equity shares and management control of the Target Company, the Offer Price is the Indicative Price in accordance with Regulation 5A (2) and other applicable provisions of the SEBI SAST Regulations.
- **Mode of payment:** The entire consideration will be paid in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI SAST Regulations.
- **Type of Offer (Triggered Offer, Voluntary Offer/ Competing Offer etc.):** This Offer is a triggered offer in compliance with Regulations 3(1) and 4 of the SEBI SAST Regulations pursuant to the Acquirers entering into the SPA agreeing to acquire substantial number of equity shares, voting rights, and control over the Target Company. In accordance with Regulation 5A of the SEBI SAST Regulations and the applicable provisions of the SEBI Delisting Regulations, the Acquirers intend to attempt to delist the equity shares of the Target Company pursuant to this Offer. The Delisting Offer is subject to a minimum level of acceptance of 507346 (Five Lakhs Seven Thousand Three Hundred and Forty-Six) Equity Shares, representing 61.33% of the total paid- up equity and voting share capital of the Target Company. If the number of Equity Shares (which can be validly accepted as per the terms and conditions to be set out in the Letter of Offer) tendered in terms of this Offer is less than 507346 (Five Lakhs Seven Thousand Three Hundred and Forty-Six) equity shares representing 61.33% of the total paid- up equity and voting share capital of the Target Company, i.e. the Minimum Tender Condition for Delisting, is not met, then the Acquirers shall complete the Open Offer by giving an offer to acquire up to 215083 (Two Lakhs Fifteen Thousand and Eighty-Three) Equity Shares representing 26.00% of the total paid- up equity and voting share capital of the Target Company in accordance with Regulation 5A(3) and other applicable



provisions of the SEBI SAST Regulations. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) and not a competitive bid in terms of Regulation 20 of the SEBI SAST Regulations.

3. Transaction which has triggered the Open Offer obligations (Underlying Transaction):

3. i) On Monday, March 18, 2024 the Acquirers have entered into a Share Purchase Agreement (“SPA”) with the Outgoing Promoters of the Target Company namely Mr. Ajay Kumar Kayan, Ms. Lalita Kayan, Ajay Kumar Kayan HUF, M/s. Sudha Commercial Company Limited and M/s. C. Mackertich Private Limited for acquisition of 237170 (Two Lakhs Thirty-Seven Thousand One Hundred and Seventy) equity shares, constituting 28.67% of the total paid-up equity and voting share capital of the Target Company at price of Rs. 5/- (Rupees Five Only) per equity share subject to satisfaction of conditions mentioned in the SPA. Pursuant to acquisition of the aforesaid equity shares in terms of the SPA and this Offer, the aggregate shareholding of the Acquirers in the Target Company would exceed the threshold limit prescribed under Regulation 3(1) of the SEBI SAST Regulations and the Acquirers will also acquire control over the Target Company under Regulation 4 of the SEBI SAST Regulations and accordingly, this Offer is being made under Regulations 3(1), 4 of the SEBI SAST Regulations. Further, the Acquirers have also expressed their intention to delist the equity shares of the Target Company from the Calcutta Stock Exchange Limited (“CSE”) i.e. (the only stock exchange where the equity shares of the Target Company are currently listed) in accordance with Regulation 5A of SEBI SAST Regulations and applicable provisions of the SEBI Delisting Regulations. Hence, the Open Offer is made under Regulations 3(1), 4 and 5A of the SEBI (SAST) Regulations.

| DETAILS OF UNDERLYING TRANSACTION | | | | | | |
|--|---|---|--|--|------------------------------------|---|
| Type of Transaction (Direct/ Indirect) | Mode of Transaction (Agreement/ Allotment/ Market purchase) | Shares/ Voting rights acquired/ proposed to be Acquired | | Total Consideration for Shares/ Voting Rights acquired (Rs. In Crores) | Mode of payment (Cash/ securities) | Regulation(s) which has triggered |
| | | Number | % vis-a-vis total Equity/ Voting Capital | | | |
| Direct | Share Purchase Agreement dated March 18, 2024 between the Acquirers and the Sellers | 237170 | 28.67% | Rs. 0.1186 Crores | Cash | 3(1), 4 & 5A of the SEBI SAST Regulations |

3. ii) Pursuant to the consummation of the SPA and subject to compliance with the SEBI SAST Regulations, the Acquirers will acquire control over the Target Company. If the Offer is successful, the Sellers will cease to own any equity shares in the Target Company and Target Company will be delisted from the CSE in accordance with the SEBI Delisting Regulations. Therefore, once the Target Company is delisted, the Sellers will cease to be the shareholders of the Target Company and the Acquirers will be classified as the Promoters of the Target Company. If the Acquirers waive the Minimum Tender Condition and successfully complete the Open



Offer, and subsequently acquire Sale Shares under the SPA, then the Acquirers shall become the Promoters of the Target Company in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations**”) and the Sellers will cease to be the Promoters and shareholders of the Target Company.

3. iii) If the Minimum Tender Condition is not met and the Open Offer is completed, then as per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended or modified (“**SCRR**”), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. The public shareholding in the Target Company will not fall below the minimum prescribed level required for continued listing as a result of the Open Offer and/or the SPA.

4. Details of Acquirers:

| Details | ACQUIRER 1 | ACQUIRER 2 | TOTAL |
|---|--|--|--------------------|
| Name of the Acquirers / PACs | Mr. Karan Mehta | Mr. Krish Ajmera | 2 |
| Address | 11, Ballygunge Park Road, Kolkata - 700019 | 29, Ballygunge Park Road, Kolkata - 700019 | -- |
| Name(s) of Persons in control /Promoters of Acquirers/ PACs where Acquirers/ PAC are companies* | NA | NA | NA |
| Name of the Group, if any, to which the Acquirers/PAC belongs to | NA | | |
| Pre-Transaction Shareholding | | | |
| ❖ Number | Nil | Nil | Nil |
| ❖ % of total share capital | (0.00%) | (0.00%) | (0.00%) |
| Proposed shareholding after the acquisition of shares which triggered the Open Offer Number (In consortium) % of total share capital** | 121710 (14.71%) | 115460 (13.96%) | 237170 (28.67%) |
| Any other interest in the TC | NO | NO | NA |

* For the purpose of this Open Offer, there is no Person Acting in Concert (PAC) with the Acquirers.

**The difference if any in the percentage is due to rounding-off.

NA means Not Applicable.



5. Details of Selling Shareholders, if applicable:

All the Sellers are part of the existing Promoters/ Promoter Group of the Target Company. The details of the Sellers are as below:

| Name | Part of Promoter Group (Yes/ No) | Details of shares/ voting rights held by the Selling Shareholders | | | |
|---------------------------------------|----------------------------------|---|--------------|-------------------|-----|
| | | Pre- Transaction | | Post- Transaction | |
| | | Number | % | Number | % |
| Ajay Kumar Kayan | Yes | 70400 | 8.51 | Nil | Nil |
| Ajay Kumar Kayan HUF | Yes | 54900 | 6.64 | Nil | Nil |
| Lalita Kayan | Yes | 36000 | 4.35 | Nil | Nil |
| M/s. Sudha Commercial Company Limited | Yes | 66810 | 8.08 | Nil | Nil |
| M/s. C. Mackertich Private Limited | Yes | 9060 | 1.09 | Nil | Nil |
| | TOTAL | 237170 | 28.67 | | |

6. Rationale for the Delisting Offer:

In terms of the SEBI Delisting Regulations, the rationale for the Delisting Offer is as follows:

- The Delisting Offer is in the interest of the Public Shareholders as it will provide all the Public Shareholders an opportunity to exit from the Target Company and provide immediate liquidity;
- Delisting of the equity shares of the Target Company will enable the Acquirers to obtain full ownership of the Target Company, which will provide enhanced operational and financial flexibility;
- As the Target Company will no longer remain listed, there will be reduction in dedicated management time to comply with the requirements associated with the continued listing, which can be focused on the business of the Target Company; and
- The delisting of the equity shares of the Target Company will enhance the Target Company's operational, financial and strategic flexibility including but not limited to corporate restructurings, acquisitions, exploring new financing structures including financial support from Acquirers.

7. Target Company:

- Name:** M/s. Manphool Exports Limited having its registered office situated at 29A, Ballygunge Circular Road, Kolkata 700019, West Bengal.



- **Corporate Identity Number ["CIN"]:** CIN L51900WB1984PLC052338.
- **Exchanges where listed:** The equity shares of the Target Company are listed only on The Calcutta Stock Exchange Limited.

8. Undertakings/ Confirmations:

- The Acquirers hereby confirm that they along with other constituent of the Promoter Group have not sold any equity share of the Target Company held by them six months prior to the date of this Initial Public Announcement made in terms of Regulation 8(1) of the SEBI Delisting Regulations.
- The Acquirers hereby confirm that they along with other constituents of the Promoter Group have not directly or indirectly:
 - (a) employed any device, scheme or artifice to defraud any shareholder or other person; or
 - (b) engaged in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
 - (c) engaged in any act or practice that is fraudulent, deceptive or manipulative –
 in connection with any delisting of equity shares sought or permitted or exit opportunity given or other acquisition of equity shares made under these regulations.

9. Other details:

- This is to inform to all the Shareholders of Target Company that the details of the Open Offer would be published shortly in the newspapers in terms of the provisions of Regulation 14(3) of SEBI SAST Regulations vide a Detailed Public Statement on or before Tuesday, March 26, 2024.
- The Acquirers undertake that they are aware of and will comply with their obligations under the SEBI SAST Regulations. The Acquirers further undertake that they have adequate financial resources to meet their Offer Obligations.
- This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) and not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- This Public Announcement shall be deemed to be an Initial Public Announcement under Regulation 8 and other applicable provisions of the SEBI Delisting Regulations.



Issued by:



MANAGER TO THE OFFER:

VC Corporate Advisors Private Limited

CIN: U67120WB2005PTC106051

SEBI REGN No.: INM000011096

Validity of Registration: Permanent

(Contact Person: Ms. Urvi Belani/ Mr. Premjeet Singh)

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Tel. No.: 033 2225 3940

Email Id: mail@vccorporate.com

Website: www.vccorporate.com

On Behalf of Acquirers:

Sd/-

Karan Mehta

Sd/-

Krish Ajmera

Place: Kolkata

Date: 18.03.2024

