

Date: September 30, 2023

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001
Maharashtra, India

To,
National Stock Exchange of India Limited
Exchange Plaza, 3rd Floor
Plot No.3-1, G Block, I.F.B. Centre,
Bandra-Kurla-Complex, Bandra (East)
Mumbai – 400 051, Maharashtra, India

Dear Sir/Madam,

SUB: SUBMISSION OF DETAILED PUBLIC STATEMENT (“DPS”) IN RELATION TO AN OPEN OFFER FOR ACQUISITION OF UP TO 2,17,64,907 (TWO CRORE SEVENTEEN LAKH SIXTY FOUR THOUSAND NINE HUNDRED AND SEVEN ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF INR 2/- (INDIAN RUPEES TWO ONLY) EACH (“EQUITY SHARES”), REPRESENTING 26.00% THE EXPANDED VOTING SHARE CAPITAL FROM THE ELIGIBLE SHAREHOLDERS OF SHALIMAR PAINTS LIMITED (“TARGET COMPANY”) BY HELLA INFRA MARKET PRIVATE LIMITED (“ACQUIRER”) (“OFFER”/ “OPEN OFFER”).

With regards to the captioned Open Offer, Swastika Investmart Limited has been appointed as the Manager to the Open Offer pursuant to and in accordance with Regulation 12(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and subsequent amendments thereto (“SEBI (SAST) Regulations”).

Further, in connection to the Open Offer, the public announcement was made by the Acquirer on September 27, 2023 and accordingly, in terms of regulation 13 read along with regulation 14 of the SEBI (SAST) Regulations, a detailed public statement has been released to appear on September 30, 2023 (“DPS”) in the following newspapers:

S. No.	Newspaper	Editions
1.	Financial Express (English)	All Editions
2.	Jansatta (Hindi)	All Editions
3.	Pratahkal (Marathi)	Mumbai
4.	Financial Express (Gujarati)	Ahmedabad

Pursuant to Regulation 13 read along with regulation 14 of the SEBI (SAST) Regulations, We Swastika Investmart Limited, are hereby submitting a pdf copy of the Detailed Public Statement that has been released in the newspapers mentioned above on September 30, 2023.

All capitalised terms not defined herein shall have the same meaning, as specified in the enclosed DPS.

We request you to kindly upload the DPS on your website at the earliest.

Yours faithfully,
Swastika Investmart Limited,

Sunil Nyati,
Chairman and Managing Director
DIN: 00015963



Enclose: As above

Swastika Investmart Limited

Corp. Off. : 48 Jaora Compound, M.Y.H. Road, Indore-452001 ☎ 0731-6644000

Regd. Off. : Flat No. 18, North Wing, Madhaveshwar Co-op. Hsg. Society, S.V. Road, Andheri (W), Mumbai-400058 ☎ 022-26254568-69

✉ hello@swastika.co.in 🌐 www.swastika.co.in CIN : L 65910 MH 1992 PLC 067052

DETAILED PUBLIC STATEMENT IN TERMS OF REGULATIONS 3(1) AND 4 READ WITH REGULATIONS 13(4), 14(3) AND 15(2) AND OTHER APPLICABLE REGULATIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED, TO THE ELIGIBLE SHAREHOLDERS (AS DEFINED BELOW) OF

SHALIMAR PAINTS LIMITED

Registered Office: Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram, Haryana-122001, India, Tel No.: +91-124-4616600, +91-124-4616617; Fax No.: +91-124-4616659, Website: www.shalimarpaints.com

OPEN OFFER FOR ACQUISITION OF UP TO 2,17,64,907 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF INR 2/- (INDIAN RUPEES TWO ONLY) EACH OF SHALIMAR PAINTS LIMITED ("EQUITY SHARES") REPRESENTING 26.00% OF THE EXPANDED VOTING SHARE CAPITAL (AS DEFINED BELOW) AT A PRICE OF INR 165/- (INDIAN RUPEES ONE HUNDRED SIXTY FIVE ONLY) PER EQUITY SHARE FROM THE ELIGIBLE SHAREHOLDERS BY HELLA INFRA MARKET PRIVATE LIMITED ("ACQUIRER") PURSUANT TO AND IN COMPLIANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 ("OFFER"/"OPEN OFFER").

This detailed public statement ("DPS") is being issued by Swastika Investment Limited, the manager to the Open Offer ("Manager to the Open Offer" or "Manager"), for and on behalf of the Acquirer, to the Eligible Shareholders pursuant to and in compliance with Regulations 3(1) and 4, and read with Regulations 13(4), 14(3), 15(2) and other applicable regulations of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations") and pursuant to the public announcement dated September 27, 2023 ("PA") in relation to the Open Offer, which was filed with the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") and together with BSE to be referred to as "Stock Exchanges") and the Securities and Exchange Board of India ("SEBI") and sent to the Shalimar Paints Limited ("Target Company") on September 27, 2023, in compliance with Regulations 14(1) and 14(2) of the SEBI (SAST) Regulations.

For the purposes of this DPS, the following terms would have the meaning assigned to them herein below:

- (a) "Eligible Shareholders" shall mean all the shareholders of the Target Company, excluding the Acquirer and persons deemed to be acting in concert with the Acquirer;
- (b) "Expanded Voting Share Capital" shall mean the total voting equity share capital of the Target Company after taking into account all potential increases in the voting equity share capital expected as of the 10th (Tenth) Working Day from the closure of the tendering period for the Offer. This includes (i) 57,47,126 Equity Shares to be allotted by the Target Company to the Acquirer pursuant to Conversion (as defined below); (ii) 26,81,992 warrants of the Target Company, each carrying the right to subscribe 1 (One) Equity Share, held by JSL Limited, one of the existing members of the promoter group of the Target Company; and (iii) 30,65,134 warrants of the Target Company, each carrying the right to subscribe 1 (One) Equity Share, held by Virtuous Tradecorp Private Limited, one of the existing members of the promoter group of the Target Company;
- (c) "Identified Date" means the date falling on the 10th (Tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Eligible Shareholders to whom the letter of offer in relation to this Open Offer ("LOF") shall be sent;
- (d) "Offer Period" has the same meaning as ascribed to it in the SEBI (SAST) Regulations;
- (e) "Tendering Period" has the same meaning as ascribed to it under the SEBI (SAST) Regulations; and
- (f) "Working Day" means any working day of SEBI.

I. ACQUIRER, TARGET COMPANY AND OPEN OFFER

1. Information about the Acquirer

1.1 The Acquirer was incorporated as a public limited company under the provisions of the Companies Act, 2013 on July 15, 2016 as Bizarro Infra Limited. Subsequently its name was changed to Hella Infra Market Limited with effect from May 3, 2018. Further, with effect from January 21, 2021, the Acquirer converted into a private limited company pursuant to which its name was changed to its present name i.e., Hella Infra Market Private Limited.

1.2 The registered office of the Acquirer is situated at Unit No. 401 to 413, Opal Square Plot No. C-1, Wagle Estate, Thane (West), Maharashtra - 400604, India and its company identification number ("CIN") is U4632MH2016PTC283737.

1.3 The Acquirer is primarily engaged in the business of buying, manufacturing, selling, importing, exporting, supplying, distributing, storing of construction related material including ready mix concrete, fly ash, aggregates, steel, cement, granite, tiles, electricals, chemicals, AAC blocks, gypsum plaster, block jointing mortar, granite, plumbing and bath fittings, paints, modular kitchen, etc. It operates under the brand name of 'Infra.Market'.

1.4 The securities of the Acquirer are not listed on any stock exchange in India or abroad.

1.5 The Acquirer does not belong to any group. The equity shareholding pattern of the Acquirer as on date is set out below:

Sr. No.	Name/Category	No. of equity shares	% (on fully diluted basis*)
A	Promoters	3,11,800	31.72
1	Mr. Souvik Pulakesh Sengupta	1,18,000	12.00
2	Mr. Aaditya Gajendra Sharda	1,17,800	11.98
3	Bizzaro Productions LLP	10,000	1.02
4	Bizzaro Advisory Limited	58,000	5.90
5	Silverline Home Private Limited	8,000	0.81
B	Other shareholders	6,71,150	68.28
Total (A+B)		9,82,950	100.00

*For the purposes of the above table, the fully diluted shareholding includes the compulsorily convertible preference shares and employee stock options, each on an as converted and/or exercised exchanged basis.

1.6 No other person is acting in concert with the Acquirer for the purposes of this Open Offer. While persons may be deemed to be acting in concert with the Acquirer in terms of Regulation 2(1)(a)(2) of the SEBI (SAST) Regulations ("Deemed PACs"), such Deemed PACs are not acting in concert with the Acquirer for the purposes of this Open Offer, within the meaning of Regulation 2(1)(a)(1) of the SEBI (SAST) Regulations.

1.7 As on date of the DPS, the Acquirer holds 1,80,45,745 Equity Shares representing 21.56% of the Expanded Voting Share Capital. Further, as on the date of this DPS, the Acquirer, its directors and key employees, do not have any relationship with and/or interest in the Target Company, except for as provided in this DPS and (a) Mr. Souvik Pulakesh Sengupta (promoter and director of Acquirer) is a non-executive non-independent director on the board of directors of the Target Company; (b) the Acquirer and its subsidiary have entered into separate distributorship agreements with the Target Company, pursuant to which *inter alia* they have been appointed as non-exclusive distributors for the products of the Target Company in India; and (c) the Acquirer occasionally supplies certain chemicals to the Target Company on an arm's length basis.

1.8 The key financial information of the Acquirer based on its audited consolidated financial statements as of and for the financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021, audited by its statutory auditor, is set out below:

Particulars	As at and for financial year ended on March 31, 2023 ⁽¹⁾	As at and for financial year ended on March 31, 2022 ⁽²⁾	As at and for financial year ended on March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Total Revenue	11,890.83	6,285.07	1,244.94
Net Income	155.28	185.95	30.99
Basic earnings per share ("EPS")	1,763.19	2,218.72	467.89
Diluted EPS	1,688.57	2,117.81	458.69
Net worth/ shareholders' funds ⁽⁴⁾	2,522.04	2,213.47	720.42

- (1) Extracted from consolidated audited financial statements for the financial year ended March 31, 2023.
- (2) Extracted from consolidated audited financial statements for the financial year ended March 31, 2022.
- (3) Extracted from consolidated audited financial statements for the financial year ended March 31, 2022, due to Ind AS Adoption in 2022.
- (4) Net worth/ shareholders' funds includes equity share capital and other equity.

1.9 The Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act, 1992, as amended ("SEBI Act") or under any other regulations made under the SEBI Act.

1.10 Neither the Acquirer nor any of its directors or key employees have been categorized or declared: (i) a 'willful defaulter' by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India ("RBI"); or (ii) a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).

2. Details of Sellers: Not applicable.

3. Details of the Target Company

3.1 Shalimar Paints Limited is a public limited company. It was incorporated on December 16, 1902 as a private limited company under the name of Shalimar Paint, Colour and Varnish Company Private Limited. Thereafter, with effect from September 11, 1956, it was converted into a public limited company pursuant to which its name was changed to Shalimar Paint, Colour and Varnish Company Limited. Subsequently, the name of the Target Company was changed to its present name i.e., Shalimar Paints Limited with effect from September 18, 1963. There has been no change in the name of the Target Company in the last 3 (Three) years.

3.2 The registered office of the Target Company is located at Stainless Centre, 4th Floor, Plot No. 50, Sector 32, Gurugram, Haryana-122001, India and its corporate office is located at 1st Floor, Plot No. 28, Sector 32, Gurugram, Haryana-122001. The CIN of the Target Company is L24222HR1902PLC065611.

3.3 The Target Company is engaged in the business of manufacturing, selling, trading and marketing of decorative paints and industrial coatings.

3.4 The Equity Shares are listed on BSE (Scrip code: 509874) and NSE (Symbol: SHALPAINTS). The ISIN of the Equity Shares is INE849C01026.

3.5 The Equity Shares are frequently traded on NSE in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

3.6 As of the date of this DPS, (a) the authorized share capital of the Target Company is INR 20,00,00,000/- (Indian Rupees Twenty Crore only) divided into 10,00,00,000 Equity Shares of INR 2/- (Indian Rupees Two only); and (b) the total issued and paid-up share capital of the Target Company is INR 14,44,33,852/- (Indian Rupees Fourteen Crore Forty Four Lakh Thirty Three Thousand Eight Hundred Fifty Two only) comprising of 7,22,16,926 Equity Shares of INR 2/- (Indian Rupees Two only) each.

3.7 As on the date of this DPS, the Expanded Voting Share Capital of the Target Company is as follows:

Particulars	Number of shares	% of Expanded Voting Share Capital
Fully paid-up Equity Shares as on date	7,22,16,926	86.27
Partly paid-up Equity Shares as on date	Nil	Nil
Equity Shares to be allotted by the Target Company to the Acquirer pursuant to Conversion (as defined below)	57,47,126 ⁽¹⁾	6.87
Warrants/ convertible instruments convertible into Equity Shares ⁽²⁾	57,47,126 ⁽¹⁾	6.87 ⁽¹⁾
Expanded Voting Capital (Total)	8,37,11,178	100.00

- (1) JSL limited and Virtuous Tradecorp Private Limited, existing members of the promoter group of the Target Company, hold 26,81,992 and 30,65,134 warrants of the Target Company, respectively, each carrying a right to subscribe to 1 (One) Equity Share.

3.8 As on date of this DPS, there are no partly paid-up Equity Shares, shares carrying differential voting rights, and/or convertible instruments (such as depository receipts, fully convertible debentures, warrants, convertible preference shares etc.) issued by the Target Company which are convertible into Equity Shares of the Target Company, save and except as specified in this DPS including 26,81,992 and 30,65,134 warrants allotted to JSL Limited and Virtuous Tradecorp Private Limited (entities forming part of promoter group of the Target Company), respectively. As on date of this DPS, there are no Equity Shares which are (a) forfeited or kept in abeyance; or (b) locked in.

3.9 The Target Company has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

3.10 Neither the Target Company nor any of its promoters or directors or key employees have been categorized or declared: (i) a 'willful defaulter' by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI; or (ii) a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).

3.11 The brief financial information of the Target Company based on its audited consolidated financial statements for the financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021, audited by its statutory auditor, is as set out below:

Particulars	As at and for financial year ended on March 31, 2023 ⁽¹⁾	As at and for financial year ended on March 31, 2022 ⁽²⁾	As at and for financial year ended on March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Total Revenue	492.76	362.73	332.75
Net Income/Loss	(36.15)	(60.35)	(49.86)
EPS (basic and diluted)	(5.01)	(10.76)	(9.18)
Net worth/ shareholders' funds ⁽⁴⁾	352.55	350.79	223.07

- (1) Extracted from consolidated audited financial statements for the financial year ended March 31, 2023.
- (2) Extracted from consolidated audited financial statements for the financial year ended March 31, 2023, as the figures for the financial year ended March 31, 2022 were restated in the consolidated audited financial statements for the financial year ended March 31, 2023 *inter alia* on account of deferred tax asset reversal impact, fixed deposits classification impact etc.
- (3) Extracted from consolidated audited financial statements for the financial year ended March 31, 2021.
- (4) Net Worth/ shareholders' funds includes equity share capital and other equity.

4. Details of the Offer

4.1 This Offer is a mandatory offer made by the Acquirer in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, pursuant to the substantial acquisition of shares, voting rights and control over the Target Company, as described in Part II of this DPS (Background to the Offer).

4.2 This Offer is being made by the Acquirer to the Eligible Shareholders of the Target Company to acquire up to 2,17,64,907 Equity Shares ("Offer Shares") representing 26.00% of the Expanded Voting Share Capital ("Offer Size"), at an offer price of INR 165/- (Indian Rupees One Hundred Sixty Five only) per Equity Share ("Offer Price") aggregating to a total consideration of up to INR 359,12,09,655/- (Indian Rupees Three Hundred Fifty Nine Crore Twelve Lakh Nine Thousand Six Hundred Fifty Five only) ("Maximum Consideration"), subject to the terms and conditions mentioned in the PA, this DPS and to be set out in the LOF that is proposed to be issued in accordance with the SEBI (SAST) Regulations.

4.3 The Offer Price has been determined in accordance with Regulations 8(1) and 8(2) read with Regulation 8(6) of the SEBI (SAST) Regulations. The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

4.4 As on the date of the DPS, to the best of the knowledge of the Acquirer, there are no statutory or other approval(s) required to acquire the Offer Shares that are validly tendered pursuant to this Offer and/or to complete the Underlying Transactions (as defined below), except as set out in Part VI (Statutory and Other Approvals) of this DPS. However, if any statutory or other approval(s) becomes applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) being obtained and the Acquirer shall make necessary applications for such approvals. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event such approvals are finally refused, the Acquirer shall have the right to withdraw this Offer. In the event of such a withdrawal of the Offer, the Acquirer (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.

4.5 All Eligible Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India (including non-resident Indian ("NRI"), overseas corporate body ("OCB"), foreign institutional investors ("FIIs") or foreign portfolio investors ("FPIs")) had required any approvals (including from the RBI, 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 Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares. Where statutory or other approval(s) extends to some but not all of the Eligible Shareholders, the Acquirer shall have the option to make payment to such Eligible Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Offer.

4.6 The Offer is not conditional on any minimum level of acceptance by the Eligible Shareholders in terms of Regulation 19 of the SEBI (SAST) Regulations.

4.7 The Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.

4.8 The Offer Shares will be acquired by the Acquirer 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, and the tendering Eligible Shareholders shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.

4.9 If the number of Equity Shares validly tendered by the Eligible Shareholders under this Offer is more than the Offer Size, then the Acquirer shall accept the Equity Shares received from the Eligible Shareholders on a proportionate basis in consultation with the Manager.

4.10 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, subsequent to the completion of the Offer, the Acquirer reserves the right to streamline/restructure the operations, assets, liabilities and/or businesses of the Target Company through arrangement/reconstruction, restructuring, merger, demerger and/or sale of assets or business or undertakings, at a later date. The Acquirer may also consider disposal of or otherwise encumbering any assets of the Target Company through sale, lease, reconstruction, restructuring and/or re-negotiation or termination of existing contractual/operating arrangements, for restructuring and/or rationalising the assets, liabilities of the Target Company whether within or outside the ordinary course of business, to improve operational efficiencies and for other commercial reasons. Decision on these matters will be based on the requirements of the business of the Target Company and/or its subsidiary/(ies), if any, and such decision will be taken in accordance with and as permitted by applicable laws.

4.11 As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations"), read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with the SCRR, on a continuous basis for listing. If, as a result of the acquisition of Equity Shares in this Offer and pursuant to consummation of the Underlying Transactions, the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time period, and in a manner acceptable to the Acquirer.

4.12 The Manager does not hold any Equity Shares in the Target Company as on the date of this DPS. The Manager shall not deal, on its own account, in the Equity Shares of the Target Company during the Offer Period.

II. BACKGROUND TO THE OFFER

1. The Acquirer has issued a notice dated September 27, 2023 to the Target Company for exercising its right to subscribe to 57,47,126 Equity Shares, representing 6.87% of the Expanded Voting Share Capital, in lieu of 57,47,126 warrants of the Target Company ("Warrants") held by it ("Conversion Notice").

2. Further, the Acquirer proposes to place purchase order(s) with its stock broker on or after September 28, 2023 to purchase up to 1,00,00,000 Equity Shares, representing 11.95% of the Expanded Voting Share Capital ("SE Shares"). The SE Shares would be purchased in one or more tranches on the Stock Exchanges until such period as permitted under applicable laws (including the SEBI (SAST) Regulations). The board of directors of the Acquirer has, at its meeting held on September 27, 2023, *inter alia* approved the aforesaid acquisition for an aggregate consideration not exceeding INR 165,00,00,000/- (Indian Rupees One Hundred Sixty Five Crore Only). Accordingly, the Acquirer proposes to place order(s) for the aforesaid purchase(s) at or below INR 165/- (Indian Rupees One Hundred Sixty Five only) per Equity Share ("SE Share Price"). In the event the Acquirer is required to make any revisions to the SE Share Price and purchase any SE Share(s) at a price exceeding the Offer Price due to any reason whatsoever, the Acquirer would revise the Offer Price to the highest price paid by the Acquirer in accordance with the provisions of the SEBI (SAST) Regulations.

3. Pursuant to the aforementioned transactions the Acquirer would be acquiring a substantial stake (i.e., shares/voting rights in excess of 25% of the Expanded Voting Share Capital) and also desires to exercise joint control over the Target Company along with the existing promoters of the Target Company. Accordingly, the Acquirer will become one of the promoters of the Target Company in accordance with the provisions of the SEBI (LODR) Regulations.

4. The transactions set out in paragraphs 1 to 3 above ("Underlying Transactions") require the Acquirer to make an Open Offer in accordance with the SEBI (SAST) Regulations.

5. A tabular summary of the Underlying Transactions is set out below:

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 (INR)	Mode of payment (cash/ securities)	Regulation which has triggered
		Number	% vis a vis total equity / voting capital ⁽²⁾			
Direct	Exercise of the right to subscribe to 57,47,126 Equity Shares in lieu of Warrants held by the Acquirer pursuant to issuance of the Conversion Notice ("Conversion"). ⁽¹⁾	57,47,126 Equity Shares	6.87%	INR 74,99,99,943 ⁽³⁾	Cash	Regulations 3(1) and 4 of the SEBI (SAST) Regulations
Direct	Proposed acquisition of SE Shares (i.e. up to 1,00,00,000 Equity Shares) through Stock Exchanges in one or more tranches until such period as permitted under applicable laws (including the SEBI (SAST) Regulations) by the Acquirer with its stock broker on or after September 28, 2023 ("SE Share Purchase"). ⁽²⁾	Upto 1,00,00,000 Equity Shares	11.95%	Not exceeding INR 165,00,00,000 ⁽⁴⁾	Cash	
Direct	Exercise of joint control alongwith the existing promoters of the Target Company and being named as a promoter of the Target Company ("Exercise of Control"). ⁽⁵⁾	-	-	-	-	

- (1) Not applicable as the Equity Shares are frequently traded.
- (2) Not applicable since the acquisition is not an indirect acquisition.
- (3) In terms of Regulation 8(6) of the SEBI (SAST) Regulations, where an acquirer or any person acting in concert with him has any outstanding convertible instruments convertible into shares of the target company at a specific price, the price at which such instruments are to be converted into shares, the same is also required to be considered as a parameter under Regulation 8(2) and Regulation 8(3) of the SEBI (SAST) Regulations.
- (4) In view of the parameters considered and regulated in the table in paragraph 4 above, the minimum offer price per Equity Share under Regulation 8(2) of the SEBI (SAST) Regulations is the highest of above parameters, i.e. INR 165/- (Indian Rupees One Hundred Sixty Five only) per Equity Share. Accordingly, the Offer Price is justified in terms of the SEBI (SAST) Regulations.
- (5) There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate action(s) falls prior to the 3rd (Third) Working Day before the commencement of the Tendering Period, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.

Notes:

- (1) Please refer to paragraphs 1 to 3 of Part II of this DPS (Background to the Offer) for further details in connection with the Underlying Transactions.
- (2) Calculated as a percentage of the Expanded Voting Share Capital.
- (3) An amount equivalent to 25% of the total consideration (i.e., INR 18,74,99,985.75/-) was paid by the Acquirer at the time of subscription and allotment of Warrants, and the balance 75% of the total consideration (i.e., INR 56,24,99,957.25/-) is payable by the Acquirer to the Target Company at the time of allotment of 57,47,126 Equity Shares pursuant to Conversion.
- (4) The Acquirer proposes to place order(s) for purchasing the Equity Shares at a price not exceeding INR 165/- (Indian Rupees One Hundred Sixty Five only) per Equity Share. In the event, if any SE Share Purchase is at a price higher than the Offer Price as a result of subsequent revisions in the order(s) placed or any other reason whatsoever, then the Offer Price would be revised to the highest price paid by the Acquirer for acquisition of the Equity Shares pursuant to the SE Share Purchase.

6. Salient features of the Warrants:

6.1. **Issuance and allotment of Warrants:** The Warrants had been allotted to the Acquirer on April 13, 2022 pursuant to the approval of (a) the board of directors of the Target Company, at its meeting held on March 8, 2022; and (b) the shareholders of the Target Company at the extra-ordinary general meeting of the Target Company held on March 31, 2022, at a price of INR 130.50/- (Indian Rupees One Hundred Thirty and Fifty Paise only) per Warrant aggregating to INR 74,99,99,943/- (Indian Rupees Seventy Four Crore Ninety Nine Lakh Ninety Nine Thousand Nine Hundred Forty Three only).

6.2. Key terms and conditions:

- (i) An amount equivalent to 25% of the consideration shall be payable at the time of subscription and allotment of each of the Warrants, and the balance 75% of the consideration shall be payable at the time of allotment of Equity Shares pursuant to exercise of right attached to the Warrants to subscribe to the Equity Shares. The amount paid against warrants shall be adjusted/ set-off against the issue price for the resultant Equity Shares;
- (ii) The right attached to Warrants may be exercised by the Acquirer, in one or more tranches, during the period commencing from the date of allotment of Warrants until the expiry of 18 (Eighteen) months from the date of allotment of the Warrants, by issuing a written notice to the Target Company specifying the number of Warrants proposed to be converted along with the aggregate amount payable thereon. The board of directors of the Target Company shall accordingly, without any further approval from the shareholders of the Target Company, issue and allot the corresponding number of Equity Shares in the dematerialized form;
- (iii) In the event the right attached to the Warrants is not exercised within 18 (Eighteen) months from the date of allotment of Warrants, the unexercised Warrants shall lapse and the amount paid by the Acquirer in relation to such Warrants, at the time of subscription, shall stand forfeited;
- (iv) The Equity Shares to be allotted on exercise of Warrants (if applicable) shall be fully paid up and rank *pari passu* with the existing Equity Shares in all respects (including with respect to dividends and voting rights);
- (v) The price of the Warrants and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments as permitted under applicable laws; and
- (vi) The Warrants itself, until exercise and converted into Equity Shares, shall not give any rights/ entitlements with respect to that of an equity shareholder.

6.3. **Conversion Notice:** Pursuant to the terms of the Warrants, the board of directors of the Acquirer, at its meeting held on September 27, 2023, *inter alia* passed resolutions authorizing the Acquirer to exercise its right to subscribe to 57,47,126 Equity Shares in lieu of the Warrants. Accordingly, the Acquirer issued the Conversion Notice exercising its right to subscribe to 57,47,126 Equity Shares, representing 6.87% of the Expanded Voting Share Capital, in lieu of Warrants.

7. The Acquirer may acquire the Equity Shares pursuant to the Conversion and the SE Share Purchase in accordance with Regulation 22(2A) of the SEBI (SAST) Regulations. If so, such Equity Shares will be kept in a share escrow account ("Share Escrow"). The Acquirer will not be entitled to exercise voting rights with respect to the Equity Shares kept in the Share Escrow, as required under the SEBI (SAST) Regulations. The Acquirer will be permitted to transfer such Equity Shares to its demat account and exercise voting rights in relation thereto either after the expiry of the Offer Period or after compliance with requirements specified in Regulation 22(2) of the SEBI (SAST) Regulations, as the case may be.

8. The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in this DPS and the LOF that will be sent to the Eligible Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.

9. The prime objective of the Acquirer for undertaking the Underlying Transactions and the Open Offer is to acquire substantial stake (i.e. shares/ voting rights in excess of 25% of the Expanded Voting Share Capital) and exercise joint control over the Target Company alongwith the existing promoters of the Target Company and being named as a promoter of the Target Company. The purpose of acquisition is to have joint control over the Target Company and enter into paint product portfolio, which is in line with the Acquirer's strategy of inorganic growth. The Acquirer has identified the Target Company to be suitable considering the complementary nature of business of both the Target Company and the Acquirer. The Target Company provides synergies in the form of expanding the product portfolio for the Acquirer which will create significant value over the period. Following the completion of the Open Offer, the Acquirer plans to assist the Target Company's management in its efforts to continue its steady growth.

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NELCAST LIMITED INFORMATION TO THE SHAREHOLDERS INFORMING ABOUT ONLINE DISPUTE RESOLUTION PORTAL

CAROL INFO SERVICES LIMITED Notice of Annual General Meeting and e-voting

ICICI Prudential Asset Management Company Limited

7. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be undertaken by the Acquirer at any time prior to the commencement of 1 (One) Working Day before the commencement of the Tendering Period of this Offer...

VII. TENTATIVE SCHEDULE OF ACTIVITY Table with columns: Sr. No., Activity, Schedule (Day and Date)

7. All Eligible Shareholders who desire to tender their Equity Shares under the Offer would have to intimate their respective stockbrokers ("Selling Brokers") within the normal trading hours of the secondary market...