

PUBLIC ANNOUNCEMENT UNDER REGULATION 3 (1), REGULATION 4 READ WITH REGULATION 15 (1) AND REGULATION 13 (2) (G) OF SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

ADARSH MERCANTILE LIMITED

("ADARSH"/ "AML"/ "TARGET COMPANY"/ "TC")

(Corporate Identification No. L51109WB1992PLC055082)

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CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

OPEN OFFER FOR ACQUISITION OF 42,95,200 (FORTY TWO LACS NINETY FIVE THOUSAND TWO HUNDRED) FULLY PAID- UP EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") CONSTITUTING 26.00% OF THE EMERGING EQUITY AND VOTING SHARE CAPITAL ("AS DEFINED BELOW) OF ADARSH, ON A FULLY DILUTED BASIS, FROM THE PUBLIC SHAREHOLDERS OF ADARSH BY MR. AJAY JAISWAL (ACQUIRER-1), MR. VISHAL JAISWAL (ACQUIRER-2), MR. ASHOK JAISWAL (ACQUIRER-3), MRS. POONAM JAISWAL (ACQUIRER-4), MRS. NIHARIKA JAISWAL (ACQUIRER-5), MRS. SHIKHA JAISWAL (ACQUIRER-6) (ACQUIRER-1, ACQUIRER-2, ACQUIRER-3, ACQUIRER-4, ACQUIRER-5 AND ACQUIRER-6 HEREINAFTER COLLECTIVELY REFERRED TO AS THE "ACQUIRERS") PURSUANT TO AND IN ACCORDANCE WITH REGULATION 3 (1) AND REGULATION 4 READ WITH OTHER APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED ("SEBI (SAST) REGULATIONS")

DEFINITIONS:

"Equity Shares" means the fully paid -up equity shares of Target Company of face value of Rs. 10/- (Rupees Ten Only) each.

"Existing Share & Voting Capital" means paid up share capital of the Target Company prior to Proposed preferential issue i.e., Rs. 3,67,50,000/- divided into 36,75,000 Equity Shares of Rs. 10/- Each.

****"Emerging Equity & Voting Share Capital"** means 1,65,20,000 fully paid -up equity shares of the face value of Rs. 10/- each of the Target Company being the capital post allotment of 1,28,45,000 equity shares.

"Proposed Preferential Issue" means the proposed preferential allotment as approved by Board of Directors of the Target Company at their Board Meeting held on February 06, 2025 subject to approval of members and other regulatory approvals of 1,28,45,000 equity shares (94,64,134 equity shares to Acquirers in kind against acquisition of 1,26,120 equity shares of Sai Machine Tools Private Limited ("SMTPL" / "Selling Company") at Rs. 29/- per equity share and 33,80,866 to public category investors at an issue price of Rs. 67/- per equity share.

"Selling Company" means the Sai Machine Tools Private Limited ("SMTPL"), promoted by Acquirers.

1. OFFER DETAILS:

- **Offer Size:** This Open Offer is being made by the Acquirers for acquisition of 42,95,200 fully paid -up Equity Shares of Rs. 10/- Each constituting 26.00% of the Emerging equity and voting share capital of the Target Company.



- **Offer Price:** An offer price of Rs. 42/- (Rupees Forty Two Only) per fully paid-up Equity Share (hereinafter referred to as the "Offer Price") will be offered for the equity shares tendered during the tendering period assuming full acceptance, the total consideration payable by the Acquirer will be Rs. 18,03,98,400/- (Rupees Eighteen Crores Three Lacs Ninety Eight Thousand Four Hundred Only).
- **Mode of Payment:** The entire consideration will be paid in cash, in accordance with the provisions of Regulation 9 (1) (a) of SEBI (Substantial Acquisition of Shares and Takeovers), Regulations, 2011 (Regulations).
- **Type of Offer (Triggered offer, Voluntary offer/competing offer etc.):** The Offer is a Triggered Offer made under Regulation 3 (1) and 4 of SEBI (Substantial Acquisition of Shares and Takeovers), Regulations, 2011. The offer is being made in compliance with Regulation 13 (2) (g) of (Substantial Acquisition of Shares and Takeovers), Regulations, 2011, pursuant to the substantial acquisition of Equity Shares and voting rights by the Acquirers under the Proposed Preferential Issue and share purchase agreement.

2. **TRANSACTION WHICH HAS TRIGGERED THE OPEN OFFER OBLIGATIONS (UNDERLYING TRANSACTION):**

- The Board of Directors of the Target Company at their meeting held on February 06, 2025, has authorized a preferential allotment of 94,64,134 fully paid-up Equity Shares of face value of Rs. 10/- each on preferential basis representing 57.29% of Emerging Equity and Voting Share Capital of the Target Company for kind i.e. against acquisition of 1,26,120 equity shares of Sai Machine Tools Private Limited ("SMTPL" / "Selling Company") at an issue price of Rs. 29/- (Rupees Twenty Nine Only) per fully paid-up Equity Share to the Acquirers (21,68,902 equity shares to Acquirer -1, 22,82,964 equity shares to Acquirer -2, 28,39,541 equity shares to Acquirer - 3, 9,46,113 equity shares to Acquirer -4, 6,70,338 equity shares to Acquirer -5 and 5,56,276 equity shares to Acquirer -6) in compliance with the provisions of Companies Act, 2013 ("Act") and Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and subsequent amendments thereto ("SEBI ICDR Regulations, 2018"). The Board of Directors of the Target Company also at their meeting held on February 06, 2025, has authorized a preferential allotment of 33,80,866 fully paid-up Equity Shares of face value of Rs. 10/- each to public category investors at an issue price of Rs. 67/- (Rupees Sixty Seven Only) per fully paid-up Equity Share. The consent of the members of the Target Company for the proposed preferential allotment is being sought at an extra ordinary general meeting to be held on March 05, 2025; and
- Share Purchase Agreement dated February 06, 2025 to purchase 26,90,000 equity shares constituting 16.28% of the emerging equity and voting share capital of the Target Company entered into between Mr. Ajay Jaiswal (Acquirer-1), Mr. Vishal Jaiswal (Acquirer-2), Mrs. Poonam Jaiswal (Acquirer-4) and Mr. Ashish Chhawchharia ("Seller-1"), Mr. Kshitiz Chhawchharia ("Seller-2") and M/s. Avon Credit Private Limited ("Seller-3") (Seller-1, Seller-2 and Seller-3 hereinafter collectively referred to as the "Sellers") at a purchase consideration of Rs. 42.00/- per Equity Share ("SPA").
- This Open Offer is being made under Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations, 2011. Pursuant to the proposed preferential allotment, Share Purchase Agreement, the Acquirers jointly will hold 73.57% of the Emerging Equity and Voting Share Capital of the Target Company. The Acquirers shall also become Promoters of the Target Company.



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 /VRs acquired (Rs. In Lacs)	Mode of payment (Cash / securities)	Regulation which has triggered
		Number	% vis a vis total Equity / voting capital			
Direct	Resolution passed at the meeting of Board of Directors of The Target Company held on February 06, 2025 for issue of equity shares on preferential basis under section 62 of the Companies Act, 2013 and in terms of SEBI (ICDR) Regulations, 2018 subject to statutory approvals.	94,64,134	57.29% of the emerging equity and voting share capital	2,744.60	Issue of equity shares of Target Company to the shareholders of Selling Company being the purchase consideration to be paid by Target Company for Acquisition of Selling Company	Regulation 3 (1) and 4 of SEBI (SAST) Regulations 2011
Direct	Share Purchase Agreement (SPA)	26,90,000	16.28% of the emerging equity and voting share capital	1,129.80	Cash to the Current Promoters of Target Company	Regulation 3 (1) and 4 of SEBI (SAST) Regulations 2011

3. DETAILS OF THE ACQUIRERS:

Name of Acquirers	Address	Name(s) of persons in control/promoters of acquirers where Acquirers are companies	Name of the Group, if any, to which the Acquirers belongs to	Pre-Transaction Shareholding Number and % of Total Present Share Capital	Proposed shareholding after acquisition of shares which triggered open offer Number and % of Total Emerging Equity and Voting Share Capital	Any other interest in the Target Company
Mr. Ajay Jaiswal (Acquirer-1)	6, Moon Palance Colony, near to Shri Someshwar Mahadev Mandir, Behind Annapurna Police Station, Indore (M.P.)- 452009	N.A.	N.A.	Nil (0.00%)	35,68,902 (21.60%)	N.A.
Mr. Vishal Jaiswal (Acquirer-2)	5, Moon Palance Colony, near to Shri Someshwar Mahadev Mandir, Behind Annapurna Police Station, Indore (M.P.)- 452009	N.A.	N.A.	Nil (0.00%)	34,92,964 (21.14%)	N.A.
Mr. Ashok Jaiswal (Acquirer-3)	5, Moon Palance Colony, near to Shri Someshwar Mahadev Mandir, Behind Annapurna Police Station, Indore (M.P.)- 452009	N.A.	N.A.	Nil (0.00%)	28,39,541 (17.19%)	N.A.



Name of Acquirers	Address	Name(s) of persons in control/promoters of acquirers where Acquirers are companies	Name of the Group, if any, to which the Acquirers belongs to	Pre-Transaction Shareholding Number and % of Total Present Share Capital	Proposed shareholding after acquisition of shares which triggered open offer Number and % of Total Emerging Equity and Voting Share Capital	Any other interest in the Target Company
Mrs. Poonam Jaiswal (Acquirer-4)	169, Sanjana Park, Near Agrawal Public School, Bicholi Mardana, Indore (M.P.)- 452016	N.A.	N.A.	Nil (0.00%)	10,26,113 (6.21%)	N.A.
Mrs. Niharika Jaiswal (Acquirer-5)	6, Moon Palance Colony, Behind Annapurna Police Station, near to Shri Someshwar Mahadev Mandir, Indore (M.P.)- 452009	N.A.	N.A.	Nil (0.00%)	6,70,338 (4.06%)	N.A.
Mrs. Shikha Jaiswal (Acquirer-6)	5, Moon Palance Colony, near to Shri Someshwar Mahadev Mandir, Behind Annapurna Police Station, Indore (M.P.)- 452009	N.A.	N.A.	Nil (0.00%)	5,56,276 (3.37%)	N.A.

Note: The present Equity Share Capital of the Target Company is Rs. 3,67,50,000/- comprising of 36,75,000 Equity Shares of Rs. 10/- each. Post preferential issue of Equity Shares, the equity share capital will increase to Rs. 16,52,00,000/- comprising of 1,65,20,000 Equity Shares of Rs. 10/- each.

4. DETAILS OF SELLING SHAREHOLDERS:

Name	Part of promoter group (Yes/ No)	Details of shares/ voting rights held by the selling shareholders			
		Pre- Transaction		Post Transaction	
		Number	%*	Number	%*
Sellers:					
Mr. Ashish Chhawchharia (Seller-1)	Yes	6,29,018	3.81%	30,577	0.19%
Mr. Kshitiz Chhawchharia (Seller-2)	Yes	6,29,005	3.81%	30,576	0.19%
M/s. Avon Credit Private Limited (Seller-3)	Yes	14,93,130	9.04%	Nil	Nil
Total		27,51,153	16.65%	61,153	0.37%

*As a percentage of emerging equity and voting share capital of the Target Company.



5. TARGET COMPANY:

The Target Company i.e., Adarsh Mercantile Limited having its present registered office at 8A & 8B, Satyam Towers, 3, Alipore Road, Kolkata - 700027.

The shares of the Target Company are listed at BSE Limited ("BSE") having scrip code and id is 538563 and ADARSH respectively.

The Equity Shares of Target Company are infrequently traded on BSE in terms of Regulation 2 (1) (j) of the Takeover Regulations.

6. OTHER DETAILS:

6.1 This to inform to all the Shareholders of Target Company that the details of the open offer would be published shortly in the newspaper in terms of the provisions of Regulation 14 (3) of SEBI (SAST) Regulations, 2011 vide a Detailed Public Statement on or before February 13, 2025.

6.2 The Acquirers undertake that they are aware and will comply with their obligations under the SEBI (SAST) Regulations, 2011 and have adequate financial resources to meet the Offer obligations.

6.3 This is not a Competitive Bid.

Issued by:



Navigant

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Contact person: Mr. Sarthak Vijlani



Signed by:

Ajay Jaiswal

(Acquirer-1)

(Acting on behalf of self and other Acquirers as Authorised Signatory)

Place: Indore

Date: February 06, 2025