

PUBLIC ANNOUNCEMENT AS REQUIRED UNDER REGULATION 3(1) AND REGULATION 4 READ WITH REGULATION 13, REGULATION 14 AND REGULATION 15(1) OF THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

FOR THE ATTENTION OF THE ELIGIBLE SHAREHOLDERS (AS DEFINED BELOW UNDER THE HEAD DEFINITIONS) OF CORPORATE MERCHANT BANKERS LIMITED

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OPEN OFFER FOR ACQUISITION OF UPTO 8,58,000 (EIGHT LAKH FIFTY EIGHT THOUSAND) EQUITY SHARES OF RS. 10 (RUPEES TEN ONLY) EACH, FULLY PAID UP, OF CORPORATE MERCHANT BANKERS LIMITED (HEREINAFTER REFERRED TO AS "TARGET" OR "TARGET COMPANY" OR "CMBL") FROM THE ELIGIBLE SHAREHOLDERS OF TARGET COMPANY REPRESENTING 26% OF THE FULLY PAID UP EQUITY SHARE CAPITAL OF THE TARGET COMPANY BY M/S GKR INFRACON (INDIA) PRIVATE LIMITED ("ACQUIRER 1"), MR. SRINIVAS LANKIREDDY ("ACQUIRER 2"), MR. GOPIKRISHNA LANKI REDDY ("ACQUIRER 3"), MR. SANDESH REDDY VEDERE ("ACQUIRER 4") AND MR. SHIVA KUMAR REDDY KOMATI REDDY ("ACQUIRER 5"; ACQUIRER 1, ACQUIRER 2, ACQUIRER 3, ACQUIRER 4 AND ACQUIRER 5 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").

This public announcement ("Public Announcement" or "PA") is being issued by Turnaround Corporate Advisors Private Limited (the "Manager to the Offer") for and on behalf of the Acquirers to the Eligible Shareholders of the Target Company pursuant to and in compliance with Regulations 3(1) and Regulation 4 read with other applicable provisions of the SEBI (SAST) Regulations.

**Definitions:**

- i. "DPS" has the meaning ascribed to such term under paragraph 1.1.
- ii. "Equity Shares" means the fully paid up equity shares of the Target Company of face value of Rs. 10/- (Rupees Ten only) each.
- iii. "Fully Paid Up Equity Share Capital" means total voting equity capital of the Target Company on a fully diluted basis expected as of the tenth (10<sup>th</sup>) working day from the closure of the tendering period of the Offer.

- iv. **“LOF”** has the meaning ascribed to such term in paragraph 1.1.
- v. **“Offer”** or **“Open Offer”** means the open offer for acquisition of up to 8,58,000 (Eight Lakhs Fifty Eight Thousand) Equity Shares, representing 26% of the Fully Paid Up Equity Share Capital.
- vi. **“Offer Price”** has the meaning ascribed to such term in paragraph 1.2.
- vii. **“Offer Size”** has the meaning ascribed to such term in paragraph 1.1.
- viii. **“Eligible Shareholders”** means Shareholders of the Target Company other than the parties to the SPA.
- ix. **“SPA”** has the meaning ascribed to such term in paragraph 2.

## 1. Open Offer Details

- 1.1 **Size:** This Open Offer is being made by the Acquirers for acquisition of upto 8,58,000 (Eight Lakh Fifty Eight Thousand) Equity Shares representing 26% of the Fully Paid Up Equity Share Capital of the Target Company (**“Offer Size”**), subject to the terms and conditions mentioned in this Public Announcement, the Detailed Public Statement ( **“DPS”**) and the Letter of Offer (**“LOF”**) that are proposed to be issued in accordance with the SEBI (SAST) Regulations.
- 1.2 **Price/Consideration:** The Open Offer is being made at a price of Rs. 10/- (Rupees Ten Only) per Equity Share (**“Offer Price”**). Assuming full acceptance, the total consideration payable by the Acquirers under the Open Offer, at the Offer Price, will be Rs. 85,80,000/- (Rupees Eighty Five Lakh Eighty Thousand Only).
- 1.3 **Mode of payment (cash/security):** The Offer Price will be paid in cash, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- 1.4 **Type of offer (Triggered offer, voluntary offer/competing offer etc):** This Offer is a Triggered/Mandatory Offer made under Regulation 3(1) and Regulation 4 read with other applicable provisions of the SEBI (SAST) Regulations. This Public Announcement is being made in compliance with Regulation 13 of the SEBI (SAST) Regulations pursuant to execution of the Share Purchase Agreement dated August 09, 2019 (**“SPA”**) by the Acquirers with M/s Cosmos Industries Limited (**“Promoter”/ “Outgoing Promoter”/ “Seller”**) for acquisition of 19,79,580 (Nineteen Lakh Seventy Nine Thousand Five Hundred Eighty) Equity Shares (**“Sale Shares”**) representing 59.99% of the Fully Paid

Up Equity Capital of the Target Company held by one of the Promoters of the Target Company, at Market Price of the shares of the Target Company as on the date of actual transfer of shares from Seller to the Acquirers using the Block Deal Mechanism of BSE Limited. However, the purchase consideration per share is subject to a minimum of Rs. 2.50 per Equity Share and a maximum of Rs. 10 per Equity Share.

## 2. Transaction which has triggered the Open Offer obligations (Underlying Transaction)

On August 09, 2019 the Acquirers have entered into a SPA with the Outgoing Promoter for acquisition of 19,79,580 (Nineteen Lakh Seventy Nine Thousand Five Hundred Eighty) Equity Shares representing 59.99% of the Fully Paid Up Equity Capital of the Target Company along with control over the Target Company subject to satisfaction of conditions mentioned in the SPA. Pursuant to acquisition of the Equity Shares in terms of the SPA, the collective holding of the Acquirers in the Target Company, would exceed threshold limit prescribed under Regulation 3(1) of the SEBI (SAST) Regulations, accordingly, this Offer is being made under Regulation 3(1) of the SEBI (SAST) Regulations. Further, the Acquirers will also acquire control over the Target Company post successful completion of the Open Offer, hence Offer is also being made under Regulation 4 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 (VR) acquired (in Rs. Lakh)	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% vis a vis total equity/voting capital			
Direct	Share Purchase Agreement dated August 09, 2019 entered into between the Acquirers and Seller	19,79,580	59.99%	Minimum Rs. 49.49 Lakh and Maximum Rs. 197.96 Lakh*	Cash	Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations

\* In terms of the SPA, the purchase consideration of the sale shares has been agreed as the Market Price of the shares of the Target Company as on the date of actual transfer of shares from Seller to the Acquirers using the Block Deal Mechanism of BSE Limited. However, the purchase consideration per share is subject to a minimum of Rs. 2.50 per Equity Share and a maximum of Rs. 10 per Equity Share.

### 3. Acquirers/PAC:

Details	Acquirer 1	Acquirer 2	Acquirer 3	Acquirer 4	Acquirer 5	Total
Name of Acquirers	M/s GKR Infracon (India) Private Limited; (CIN: U45209TG2012PTCO 78421)	Mr. Srinivas Lankireddy	Mr. GopiKrishna Lanki Reddy	Mr. Sandesh Reddy Vedere	Mr. Shiva Kumar Reddy Komati Reddy	Not Applicable
Address	8-2-293/82/J III/ 550-C/1, Plot No 550-C/1, Road No 92, Jubilee Hills, Hyderabad, Telangana-500033	320/A, Road No. 12, MLA Colony, Banjara Hills, Khairatabad, Hyderabad, Telangana-500034	320/A, MLA Colony, Road No.12, Near ACB Office, Banjara Hills, Khairatabad, Hyderabad, Telangana - 500034	17/C/B, Road 12, MLA Colony, Banjara Hills, Hyderabad, Telangana - 500034	Plot 315, Road No. 79, Jubilee Hills, Hyderabad-500033	Not Applicable
Name(s) of persons in control/ promoters of the Acquirers/ PAC where Acquirers/ PAC are Companies	The main Promoters of Acquirer 1 are: 1. Mr. GopiKrishna Lanki Reddy (Promoter and Managing Director) and 2. Mr. Subba Reddy Lanki Reddy (Promoter and Director)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Details	Acquirer 1	Acquirer 2	Acquirer 3	Acquirer 4	Acquirer 5	Total
Name of the Group, if any, to which the Acquirers/PAC belongs to	None	None	None	None	None	Not Applicable
<b>Pre Transaction shareholding:</b>						
• Number	NIL	NIL	NIL	NIL	NIL	NIL
• % of total share capital	NIL	NIL	NIL	NIL	NIL	NIL
<b>Proposed shareholding after the acquisition of shares which triggered the Open Offer</b>						
• Number <sup>#</sup>	98,979	5,93,874	4,94,895	3,95,916	3,95,916	19,79,580
• % of total share capital	3.00%	18.00%	15.00%	12.00%	12.00%	59.99%
Any other interest in the Target Company	Apart from the proposed acquisition of 19,79,580 Equity Shares and control over the Target Company, the Acquirers have no other interest in the Target Company.					Not Applicable

*# In terms of Memorandum of Understanding dated August 09, 2019, entered by and between the Acquirers, whereby the Acquirers have agreed upon the number of sale shares to be acquired each Acquirer pursuant to the SPA.*

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

#### 4. Details of selling shareholder, if applicable:

Name of the Seller	Part of Promoter Group (Yes/No)	Details of shares/voting rights held by the selling shareholders			
		Pre Transaction		Post Transaction	
		Number of Shares	%	Number	%
M/s Cosmos Industries Limited	Yes	19,79,580	59.99%	Nil	Nil

#### 5. Target Company

- **Name:** Corporate Merchant Bankers Limited, having its registered office at UG-24, Vishwadeep Tower, District Centre, Janak Puri, New Delhi-110058 and Corporate Office at 8-2-293/BE, Plot No.32, Navanirman Nagar, Jubilee Hills, Hyderabad - 500033, Telangana.
- **CIN:** L74899DL1994PLC061107
- **Exchanges where listed:** The Target Company is currently listed on BSE Limited [“BSE”] and Metropolitan Stock Exchange of India Limited [“MSEI”].

#### 6. Other details

- The DPS pursuant to this Public Announcement, which shall carry all such other information of the Open Offer, including information on the Offer Price, information on the Acquirers, information on the Target Company, reasons for the Open Offer, Statutory Approvals for the Open Offer, details of financial arrangement, other terms of the Open Offer, conditions to the Open Offer, etc. shall be published on or before Tuesday, August 20, 2019 (i.e. within 5 working days from the date of this Public Announcement), in all editions of an English national daily with wide circulation, a Hindi national daily with wide circulation and a Marathi Language daily with wide circulation at Mumbai (being the place where BSE and MSEI are situated). The Registered Office of the Target Company is situated in the National Capital Territory of Delhi and Hindi being the regional language of the region, publication in a regional language daily is not required.
- The Acquirers undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations. The Acquirers have adequate financial resources to meet the Open Offer obligations and have made firm financial arrangements for financing the acquisition of

the Equity Shares under the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations.

- This is not a Competing Offer.

**Issued by the Manager to the Offer on Behalf of the Acquirers**



**Turnaround Corporate Advisors Private Limited**

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**Contact Person:** Mr. Heemadri Mukerjea

**SEBI Registration No.:** MB/INM000012290

**For and on behalf of the Acquirers:**

**Sd/-**

**(SRINIVAS LANKIREDDY)**

**Date:** August 09, 2019

**Place:** New Delhi