

INITIAL PUBLIC ANNOUNCEMENT UNDER REGULATION 8 OF SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021

FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

PEARL APARTMENTS LIMITED

Registered Office: 903, Rohit House, 3, Tolstoy Marg, New Delhi-110001

CIN : L70101DL1979PLC009901

This Initial Public Announcement ("IPA"/ "Public Announcement") is being issued by Turnaround Corporate Advisors Private Limited ("Manager to the Offer") for and on behalf of The Promoters of M/s Pearl Apartments Limited (the "Company"), as defined under SEBI (Issue Capital and Disclosure Requirements) Regulations, 2018 along with other Promoters/ constituents of the Promoters Group of M/s Pearl Apartments Limited (the "Company") (hereinafter referred as "Acquirer(s)"), to the public shareholders of the Company ("Shareholders"), either individually /collectively or together with other members of Promoters Group, with an intention to; (a) acquire all the Equity Shares (as defined below) that are held by public shareholders ; and (b) consequently voluntary Delist the Equity Shares from the Stock Exchange (as defined below), by making a delisting offer, pursuant to and in compliance with Delisting Regulations.

For the purpose of this IPA, the following terms have the meaning assigned to them below:

- a. "Acquirer" shall mean Mr. Nakul Sethi, residents of Aashray, 24, Central Drive, DLF Chattarpur Farms, Chattarpur, New Delhi-110074;
- b. "Company" shall mean Pearl Apartments Limited (CIN : L70101DL1979PLC009901);
- c. "Board" shall mean Board of Director of the Company;
- d. "Delisting Regulations" shall mean the SEBI (Delisting of Equity Shares) Regulations, 2021;
- e. Equity Shares shall means fully paid up equity shares of the Company, each having face value of Rs. 10/-;
- f. "Public shareholder" shall means a public shareholder of the Company as defined under Regulation 2(1)(t) of Delisting Regulations;
- g. "SEBI" shall mean Securities Exchange Board of India;
- h. "Stock Exchange" shall mean the stock exchange where the Equity Shares are presently Listed i.e. Metropolitan Stock Exchange of India Limited (MSEI);
- i. "Promoters Group" shall mean members of the Promoters and Promoters group of the Company as defined under the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018; and
- j. "Takeover Regulations" shall mean the SEBI (Substantial Acquisition of Share and Takeover) Regulations, 2011.

1. DELISTING PROPOSAL DETAILS:

- The Acquirer, along with other Promoters and Promoters Group collectively hold 2,29,240 (Two Lakh Twenty Nine Thousand Two Hundred and Forty only) Equity Shares representing 45.85% of the total paid up Equity Share Capital of the Company. The Acquirer, vide his letter dated December 01, 2021, has expressed his intention to:



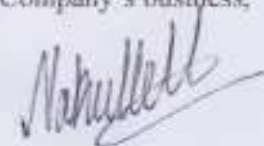
- a) acquire 270760 (Two Lakh Seventy Thousand Seven Hundred and Sixty only) fully paid up Equity Shares constituting 54.15% of total equity and voting share capital from the public shareholders of the Company.
 - b) consequently voluntarily delist the Equity Shares of the Company from the Stock Exchange where the Equity Shares of the Company are presently listed namely, Metropolitan Stock Exchange of India Limited (MSEI) by making a Delisting Offer in accordance with the provisions of the Delisting Regulations ("Delisting Proposal").
- The Acquirer has appointed, Turnaround Corporate Advisors Private Limited, a SEBI Registered Category-I Merchant Banker, as the Manager to the Offer pursuant to and in accordance with Regulation 9 of the Delisting Regulations.
 - As on date the aggregate shareholding of the Promoters Group of the Company is 2,29,240 (Two Lakh Twenty Nine Thousand Two Hundred and Forty only) fully paid up Equity Shares aggregating to 45.85% of the total paid up Equity Share Capital of the Company. The public shareholders hold 2,70,760 (Two Lakh Seventy Thousand Seven Hundred and Sixty only) fully paid up Equity Shares aggregating to 54.15% of the total paid up Equity Share Capital of the Company. The Shareholding of the Acquirer and other members of the Promoters Group of the Company is as under:

S.No	Name	No. of Shares	% of shares
1	Chand Seth	37,170	7.43
2	Harish Seth	35,510	7.10
3	Krishen Kumar Seth	52,110	10.42
4	Madhu Seth	14,550	2.91
5	Nakul Seth	4,200	0.84
6	Nidhi Choudhari	13,550	2.71
7	Rita Seth	28,450	5.69
8	Suneeta Seth	6,250	1.25
9	Taruna Seth	4,200	0.84
10	Udit Seth	4,150	0.83
11	Varun Seth	4,150	0.83
12	Gama Investments Private Limited	24,950	4.99
	Total	2,29,240	45.85

2. REASON OF DELISTING

In terms of the provision of Regulation 8(3)(a) of the Delisting Regulations, the rationale for the Delisting Proposal is as follows:

- i. to obtain full ownership of the Company, which will provide the Promoter/ Promoter Group with increased operational flexibility to support the Company's business.



- ii. to provide an exit opportunity to the public shareholders of the Company; and
- iii. to save time and cost for compliance with various laws.

3. UNDERTAKING / CONSIDERATION

In terms of provisions of Regulation 8(3)(b) of the Delisting Regulations, the Acquirer individually/collectively or together with members of the Promoters Group, undertakes and confirms that they :

- i. have not sold any Equity Shares of the Company during the period of six months prior to the date of the IPA and
- ii. shall not, directly or indirectly,—
 - (a) employ any device, scheme or artifice to defraud any shareholder or other person; or
 - (b) engage in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
 - (c) engage in any act or practice that is fraudulent, deceptive or manipulative

in connection with any delisting of Equity Shares sought under the Delisting Regulations.

4. PRICE / CONSIDERATION:

The discovered price will be determined through the Reverse Book Building process specified in Schedule II of Delisting Regulations, after fixation of "Floor Price" which shall be determined in terms of Regulation 20(2) of the Delisting Regulations read with Regulation 8 of the Takeover Regulations. Floor Price as computed as per Regulation 8(2)(d) of the Takeover Regulations is Rs 44.05 (Rupees Forty Four and Paise Five Only).

In terms of the Delisting Regulations, the discovered price will be determined as the price at which shares are accepted through eligible bids, that takes the shareholding of Promoter and Promoter Group to 90% of the total issued shares, excluding the shares which are held by following:

- a) custodian(s) holding shares against which depository receipts have been issued overseas;
- b) a trust set up for implementing an Employee Benefit scheme under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and
- c) inactive shareholders such as vanishing companies and struck off companies, shares transferred to the Investor Education and Protection Fund's account and shares held in terms of sub-regulation (4) of regulation 39 read with Schedule VI of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

5. CONDITIONS:

The acquisition of the Equity Shares by the Promoters or Promoters Group, as the case maybe, from the public shareholders will be conditional upon the following:

- a) Approval of Board of Directors of the Company of the Delisting Proposal;
- b) Approval of shareholders of the Company by way of a special resolution through postal ballot and/or e-voting in accordance with the Delisting Regulations and other applicable laws wherein the number of votes cast by the public shareholders in favour of the Delisting Proposal is at least two times the number of votes cast by the public shareholders against the Delisting Proposal;
- c) Receipt of the approval of Stock Exchange in accordance with the Delisting Regulations and/or any other statutory/regulatory approvals and third party consent, as may be required, in relation to the Delisting Proposal;



- d) The acceptance by the Promoters or Promoters Group (as the case may be) of the discovered price determined by the Reverse Book Building Process including other rights and obligations in terms of Delisting Regulations;
- e) The number of Equity Share validly tendered in the delisting offer being sufficient enough to result in the Delisting offer being successful in accordance with the Delisting regulations; and
- f) Such other terms and conditions as may be set out in the "Detailed Public Announcement" or the "Letter of Offer" to be made/ dispatched to the Public Shareholders in accordance with the Delisting Regulations.

6. OTHER DETAILS:

- a) The Promoters or Promoters Group, hereby confirm that they have firm financial arrangements for fulfilling the payment obligation under the Delisting offer and they are able to implement the delisting offer and have provided a Net worth Certificate dated November 30, 2021, issued by M/s Sehgal Mehta & Co. Chartered Accountants (FRN: 003330N), to substantiate their ability to fulfil the payment obligation under the delisting offer.
- b) The Promoters or Promoters Group accepts the full responsibility for the information contained in this IPA and confirms that such information is true, fair and adequate in all material aspects. The Promoters or Promoters Group are aware and will comply with the Obligations under Delisting Regulations.
- c) All the information pertaining to the Company contained in this IPA has been obtained from publically available sources, and the accuracy thereof has not been independently verified by the Manager to the Offer.

Issued by the Manager to the Offer



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Website: www.tcagroup.in
Contact Person: Mr. Heemadri Mukerjee
SEBI Registration No.: MB/INM000012290

For and on behalf of Acquirers

(NAKUL SETH)

Place: New Delhi

Date: December 01, 2021