

Public Announcement under Regulation 15(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

FOR THE ATTENTION OF THE SHAREHOLDERS OF DURGESH MERCHANTS LIMITED

OPEN OFFER FOR ACQUISITION OF UPTO 6,94,200 EQUITY SHARES FROM THE SHAREHOLDERS OF DURGESH MERCHANTS LIMITED (HEREINAFTER REFERRED TO AS "TARGET" OR "TARGET COMPANY" OR "DML") BY MR. KAMAL AHUJA (HEREINAFTER REFERRED TO AS THE "ACQUIRER") PURSUANT TO AND IN ACCORDANCE WITH REGULATION 4 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED ("SEBI (SAST) REGULATIONS")

1. Open Offer details

Open Offer: Open Offer to be made by the Acquirer to the shareholders of the Target Company for acquisition of upto 6,94,200 Equity Shares representing 26% of the fully paid up Equity Share Capital of the Target Company.

- **Size:** This Open Offer is being made by the Acquirer for acquisition of upto 6,94,200 Equity Shares of face value Rs. 10 each representing 26% of the fully paid up Equity Share Capital of the Target Company.
- **Price/Consideration:** At Offer Price of Rs. 10 (Rupees Ten Only) per fully paid up Equity Shares of Rs. 10 each of the Target Company aggregating to Rs. 69,42,000 (Rupees Sixty Nine Lakhs Forty Two Thousand only).
- **Mode of payment:** The Open Offer Price 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):**

Triggered Offer made under Regulation 4 of the SEBI (SAST) Regulations.

As on the date immediately preceding the date of this Public Announcement ("PA"), the Acquirer holds 1,80,000 Equity Shares representing 6.74% of the fully paid Equity Share Capital of the Target Company.

The Acquirer has entered into a Share Purchase Agreement ("SPA") with the existing Promoters of the Target Company (hereinafter referred to as the "Sellers") with the objective of taking complete Management Control of the Target Company along with acquisition of the entire present shareholding of the Sellers i.e. 75,600 (Seventy Five Thousand Six Hundred Only) Equity Shares of the Target Company, representing 2.83% of the fully paid-up Equity Share Capital of the Target Company.

This mandatory Open Offer is being made by the Acquirer in compliance with Regulation 4 of the SEBI (SAST) Regulations consequent to the agreement for change in complete Management Control of the Target Company, as contemplated under the SPA.



Page 1 of 4



2. Transaction which has triggered the open offer obligations (underlying transaction)

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 (Rs. in Lakhs)	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% vis a vis total equity/voting capital			
Direct	Share Purchase Agreement dated March 23, 2015 between the Acquirer and the Sellers. Further, the Acquirer intends to take the complete management control of the Target.	75,600	2.83%	7.56	Cash	Regulation 4 of the SEBI (SAST) Regulations

3. Acquirer/PAC:

Details	Acquirer
Name of Acquirer	Kamal Ahuja
Address	B- 2/216, Yamuna Vihar, Shahdara, Delhi-110053
Name(s) of persons in control/ promoters of the Acquirer/PAC where Acquirer/PAC are Companies	Not Applicable
Name of the Group, if any, to which the Acquirer/PAC belongs to	None
Pre Transaction shareholding:	
<ul style="list-style-type: none"> • Number • % of total share capital 	<p>1,80,000 6.74</p>



<p>Proposed shareholding after the acquisition of shares which triggered the Open Offer</p> <ul style="list-style-type: none"> • Number • % of total share capital 	<p>2,55,600 9.57</p> <p>Note:</p> <p>The acquisition of shares through SPA has not triggered the Open Offer under Regulation 3 of the SEBI (SAST) Regulations.</p> <p>The open offer is being triggered under Regulation 4 of the SEBI (SAST) Regulations by an agreement for acquisition of the entire Shareholding of the present Promoter Group alongwith the complete Management Control of the Target Company.</p>
<p>Any other interest in the Target Company</p>	<p>Mr. Kamal Ahuja is the Managing Director of the Target Company and is presently holding 1,80,000 Equity Shares representing 6.74% of the fully paid Equity Share Capital of the Target Company. Besides this, the Acquirer has no other interest in the Target Company.</p>

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

4. Details of selling shareholders, if applicable:

Name	Part of Promoter Group (Yes/No)	Details of shares/voting rights held by the selling shareholders			
		Pre Transaction		Post Transaction	
		Number of Shares	%	Number	%
Rajendra Pal Garg	Yes	30000	1.12	Nil	Nil
Kiran Garg	Yes	17600	0.66	Nil	Nil
Heman Garg	Yes	26000	0.97	Nil	Nil
Dushan Garg	Yes	2000	0.07	Nil	Nil
Total		75600	2.83	-	-



5. Target Company

- **Name:** Durgesh Merchants Limited
- **CIN:** L51219DL1984PLC248322
Exchanges where listed: The Target Company is currently listed on the Calcutta Stock Exchange Limited.

6. Other details

- The Detailed Public Statement pursuant to this Public Announcement, which shall carry all such other information of the offer, including information on the Offer Price, information on the Acquirer, 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, conditions precedent to the Share Purchase Agreement, etc. shall be published on or before March 30, 2015 (i.e. within 5 working days from the date of this Public Announcement), in all editions of an English national daily with wide circulation and a Hindi national daily with wide circulation. 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 Acquirer undertakes that he is aware of and will comply with his obligations under the SEBI (SAST) Regulations. The Acquirer has adequate financial resources to meet the Open Offer obligations and has 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 Competitive Bid.

Issued by:
Manager to the Offer

  SOBHAGYA CAPITAL OPTIONS LIMITED B- 206, Okhla Industrial Area Phase-I, New Delhi- 110020 Tel: 91-11-40777000 Fax: 91-11-40777069 E-mail: delhi@sobhagyacap.com Website: www.sobhagyacapital.com Contact Person: Mr. Heemadri Mukerjea and Mr. Amit Kumar	<p>For and on behalf of the Acquirer</p>  (KAMAL AHUJA)
---	--

Place: New Delhi
Date: March 23, 2015