

**PUBLIC ANNOUNCEMENT UNDER REGULATION 3(2), 3(3) AND 4 READ WITH REGULATION 13 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011**

**Open Offer for acquisition of 90,51,200 Equity Shares of face value Rs. 5 each from the Eligible Shareholders (as defined below) of Khemani Distributors & Marketing Limited (the “Target Company”), a company under the Companies Act, 2013 and having its registered office at Plot No.-D/91-92, Laxminarayan Industrial Park, BRC Compound, Udhna, Bhestan, Surat - 394 210, Gujarat, India, Tel. No.: +91 261 290 5031, E-mail: investors@khemanigroup.net, representing 39.40% of the total outstanding share capital of the Target Company by Vijaykumar Khemani, (the “Acquirer”) and BSAS Infotech Limited (the “PAC 1”), ONYX Partners, represented by Vijaykumar Khemani (the “PAC 2”) and Vijaykumar Mangtaram Khemani HUF (the “PAC 3”) (PAC 1, PAC 2 and PAC 3 are collectively referred to as the “PAC” / “PACs”) pursuant to and in compliance with Regulation 3(2), 3(3) and 4 read with Regulation 13 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “SEBI SAST Regulations”) (the “Open Offer” / “Offer”).**

This public announcement (the “**Public Announcement**”) is being issued by Sundae Capital Advisors Private Limited, the Manager to the Open Offer (the “**Manager**”), for and on behalf of the Acquirer and the PACs, to the Eligible Shareholders (as defined below) of the Target Company, pursuant to and in compliance with Regulation 3(2), 3(3) and 4 read with Regulation 13 and other applicable regulations of the SEBI SAST Regulations.

**Terms used in the Public Announcement**

<b>Particulars</b>	<b>Definition</b>
<b>Acquirer</b>	Vijaykumar Khemani
<b>Eligible Shareholders</b>	All the public shareholders of the Target Company who are eligible to tender their Equity Shares in the Offer, except the Acquirers, the PACs, existing members of the promoter and promoter group of the Target Company and the Sellers who are parties to the SPA 1, SPA 2 and SPA 3
<b>Non qualifying inter-se transfer</b>	Inter-se transfer of equity shares made on January 01, 2018 between the promoter group entities, namely (i) Vijaykumar Khemani and Amit Vijaykumar Khemani as transferors and (ii) Vijaykumar Mangtaram Khemani HUF, BSAS Infotech Limited and ONYX Partners, represented by Vijaykumar Khemani as transferee, which does not qualified as exemption under Regulation 10 of the SEBI SAST Regulations
<b>Open Offer</b>	Present open offer upon execution of the SPA 1, SPA 2 and SPA 3, all executed on August 09, 2023
<b>Offer Price</b>	Rs. 138.59 (Rupees One Hundred Thirty Eight and paise Fifty Nine only), calculated in accordance with the Regulation 8(2) of the SEBI Regulations and being the highest of the price as calculated on the date of this Offer and the previous instances of breach of open offer limit as on January 01, 2018 and June 30, 2023 including simple interest at the rate of 10.00% p.a. for the period of inadvertent delay in the Open Offer for the respective period of delay.  The price of equity shares of the Target Company for January 01, 2018 has been appropriately adjusted for the bonus shares issued on October 09, 2020 by way of capitalisation of reserves (since the number of shares for which Open Offer is made includes compliance for the previous breach of open offer limit as on January 01, 2018 and the shares proposed to be acquired under the Offer has been increased to give effect to the bonus issue with simultaneous adjustment of market price of equity shares on account of being ex-bonus)
<b>Offer Size</b>	90,51,200 Equity Shares of face value Rs. 5 each representing 39.40% of the total outstanding share capital and voting capital of the Target Company as on August 09, 2023
<b>PACs</b>	Collectively the PAC 1, PAC 2 and PAC 3
<b>PAC 1</b>	BSAS Infotech Limited

Particulars	Definition
<b>PAC 2</b>	ONYX Partners, Represented by Vijaykumar Khemani
<b>PAC 3</b>	Vijaykumar Mangturam Khemani HUF
<b>Selling Shareholders</b>	Collectively, Varada Trading Private Limited and Badnoobs Technology Private Limited as Seller under SPA 1; Azura Projects Private Limited, Carron Investments Private Limited and S&D Share & Stock Private Limited as Seller under SPA 2; and Ekansh Concepts Limited as Seller under SPA 3 and does not form part of the promoter and promoter group of the Target Company
<b>SEBI</b>	Securities and Exchange Board of India
<b>SPA 1</b>	Share Purchase Agreement dated August 09, 2023 entered into between the Acquirer and Varada Trading Private Limited and Badnoobs Technology Private Limited
<b>SPA 2</b>	Share Purchase Agreement dated August 09, 2023 entered into between the Acquirer and Azura Projects Private Limited, Carron Investments Private Limited and S&D Share & Stock Private Limited
<b>SPA 3</b>	Share Purchase Agreement dated August 09, 2023 entered into between the Acquirer and Ekansh Concepts Limited
<b>Stock Exchange</b>	BSE Limited
<b>Target Company</b>	Khemani Distributors and Marketing Limited
<b>Transaction(s)</b>	Collectively the Underlying Transaction (as described in paragraph 2 of this Initial Public Announcement) and the Open Offer
<b>Working Day</b>	Working day of the Securities and Exchange Board of India

## 1. Offer Details

**1.1 Size of the Offer:** 90,51,200 Equity Shares of face value Rs. 5 each representing 39.40% of the total outstanding share capital and voting capital of the Target Company as on August 09, 2023.

On August 09, 2023, the Acquirer, alongwith the PACs, have entered into SPA 1, SPA 2 and SPA 3 to acquire an aggregate of 60,07,600 Equity Shares representing 26.15% of the issued Share Capital of the Target Company at a price of Rs. 26.50 (Rupees Twenty Six and paise Fifty only) per Equity Share from the Selling Shareholders, namely Varada Trading Private Limited and Badnoobs Technology Private Limited under SPA 1; Azura Projects Private Limited, Carron Investments Private Limited and S&D Share & Stock Private Limited under SPA 2; and Ekansh Concepts Limited under SPA 3.

The Acquirer on August 09, 2023 have appointed Sundae Capital Advisors Private Limited (“Manager”) as the Manager to the Open Offer. While conducting the due diligence for the build up of the shareholding of the Promoters / Acquirer & PACs, the Manager found that on January 01, 2018, certain non qualifying inter-se transfers were undertaken by the Acquirer and PACs, who already forms part of the Promoter and Promoter Group of the Target Company, details of which are as under, for more than 5% of the creeping acquisition limit as provided Regulation 3(2) of the SEBI SAST Regulations and as such inter-se transfer among promoters was not exempted under the Regulations 10 of the SEBI SAST Regulations (“**Breach of SAST Limit 1**”). The said non qualifying inter-se transfer had triggered an open offer under Regulation 3(2) read with Regulation 4 of the SEBI SAST Regulations. However, being inter-se transfer, there was no change in control or management of the Target Company.

Further, on June 30, 2023, Acquirer has acquired certain shares from the stock market, which has resulted in increase of his shareholding beyond 25% as stipulated under Regulation 3(3) of the SEBI SAST Regulations and hence had triggered an open offer under Regulation 3(3) read with Regulation 4 (“**Breach of SAST Limit 2**”). Vijaykumar Khemani is the existing shareholder of the Target Company and hence has not resulted in any change in control or management of the Target Company.

Therefore, Acquirers have now decided to increase the size of the present Open Offer by giving effect to the increase in the number of shares for which offer would have been given, i.e. (i) acquisition which has resulted in breach of creeping acquisition limit on account of Non qualifying inter-se promoter group transfers; and (ii) the acquisition from the stock exchange which has resulted in the breach of 25% limit. The size of the Open Offer, combined together with the obligation arising on account of Breach of SAST Limit 1 and Breach of SAST Limit 2 is calculated as under:

<b>A. No. of equity shares for which Open Offer is given:</b>	
No. of equity shares outstanding as on August 09, 2023 (trigger date for Open Offer)	2,29,74,000
<b>Obligation to give open offer for 26% of the equity shares as on August 09, 2023 (trigger date for Open Offer) (A)</b>	<b>59,73,240</b>
<b>B. No. of equity shares for which Open Offer was required to be given for the instance of Breach of SAST Limit 1</b>	
No. of equity shares outstanding as on January 01, 2018 (trigger date for Open Offer)	1,14,87,000
Obligation to give open offer for 26% of the equity shares as on January 01, 2018 (trigger date for Open Offer)	29,86,620
<b>Post Breach of SAST Limit 1, the Company had issued bonus shares on October 09, 2020 in the ratio of 1:1. Accordingly, the number of shares for which open offer would be deemed to be triggered is adjusted and increased in the ratio of bonus (B) (i.e. 29,86,620 x 2)</b>	<b>59,73,240</b>
<b>C. No. of equity shares for which Open Offer was required to be given for the instance of Breach of SAST Limit 2</b>	
No. of equity shares outstanding as on June 30, 2023 (trigger date for Open Offer)	2,29,74,000
<b>Obligation to give open offer for 26% of the equity shares as on June 30, 2023 (trigger date for Open Offer) (C)</b>	<b>59,73,240</b>
<b>D. Total number of Equity Shares for which offer is to be given, being higher of the following:</b>	
Aggregate of (A), (B) & (C) as above	1,79,19,720
Balance equity shares held by Eligible Shareholders as on August 09, 2023, after execution of SPA 1, SPA 2 and SPA 3	90,51,200
<b>Offer Size for which Offer is proposed to be given (not to exceed the balance equity shares held by Eligible Shareholders after signing of SPA 1, SPA 2 and SPA 3)</b>	<b>90,51,200</b>
<b>%age of Offer Size to the paid up equity and voting share capital of the Target Company as on August 09, 2023</b>	<b>39.40</b>

This Open Offer is a mandatory open offer being made by the Acquirer and the PACs, to the Eligible Shareholders of the Target Company in compliance with Regulation 3(2), 3(3) and Regulation 4 of the SEBI SAST Regulations pursuant to the execution of the SPA 1, SPA 2 and SPA 3 to acquire 90,51,200 Equity Shares of the Target Company aggregating to 39.40% of the paid up and voting share capital of the Target Company and also pursuant to the non qualifying inter-se transfer among promoter and promoter group and the breach of 25% limit by an individual shareholder.

**1.2 Offer Price / Consideration (in Rs.):** The Offer Price of Rs. 138.59 (Rupees One hundred Thirty Eight and paise Fifty Nine only) (“Offer Price”) per Equity Share fully paid up, being the highest of the following:

- **Price pursuant to the SPA 1, SPA 2 and SPA 3:** The Offer Price for Open Offer is Rs. 26.50 (Rupees Twenty Six and paise Fifty only) per Equity Share fully paid up is calculated in accordance with the Regulation 8(2) of the SEBI SAST Regulations.

- **Price pursuant to Breach of SAST Limit 1:** The price of Rs. 138.59 (Rupees One Hundred Thirty Eight and paise Fifty Nine only) calculated in accordance with Regulation 8(2) for the Breach of SAST Limit 1, calculated for the trigger date being January 01, 2018, including simple interest @ 10% p.a. for the period of delay from January 2018 to August 2023. The price of equity shares of the Target Company for January 01, 2018 has been appropriately adjusted for the bonus shares issued on October 09, 2020 by way of capitalisation of reserves (since the number of shares for which Open Offer is made includes compliance for the previous breach of open offer limit as on January 01, 2018 and the shares proposed to be acquired under the Offer has been increased to give effect to the bonus issue with simultaneous adjustment of market price of equity shares on account of being ex-bonus).
- **Price pursuant to Breach of SAST Limit 2:** The price of Rs. 24.42 (Rupees Twenty Four and paise Forty Two only) calculated in accordance with Regulation 8(2) for the Breach of SAST Limit 2, calculated for the trigger date being June 30, 2023, including simple interest @ 10% p.a. for the period of delay from June 2023 to August 2023.

The total funds required for implementation of the Offer (assuming full acceptance) for the acquisition of 90,51,200 Equity Shares at Rs. 138.59 per Equity Share is Rs. 125,44,05,808 (Rupees One Hundred Twenty Five Crore Forty Four Lakhs Five Thousand Eight Hundred Eight Only).

**1.3 Mode of payment:** The Offer Price is payable in “Cash” in accordance with Regulation 9(1)(a) of the SEBI SAST Regulations and the terms and conditions mentioned in this Public Announcement and to be set out in the Detailed Public Statement and Letter of Offer that are proposed to be issued in accordance with the SEBI SAST Regulations.

**1.4 Type of Offer:** This will be a “Mandatory Offer” under the Regulation 3(2), 3(3) and 4 read with Regulation 13 of the SEBI SAST Regulations. The Offer is not a conditional offer subject to minimum level of acceptances.

## 2. Transaction which has triggered the Open Offer obligation (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) proposed to be acquired (in Rs.)	Mode of payment (Cash / securities)	Regulation which has / will be triggered
		Number of equity shares	% vis-a-vis total equity / voting capital			
Direct	Agreement	18,02,800	7.85%	4,77,74,200	Cash	Regulation 3(2) & 4
Direct	Agreement	32,26,400	14.04%	8,54,99,600	Cash	Regulation 3(2) & 4
Direct	Agreement	9,78,400	4.26%	2,59,27,600	Cash	Regulation 3(2) & 4

The paid up equity and voting share capital of the Company as on August 09, 2023 was 2,29,74,000 and the percentage has been calculated on the same.

In addition to above, it has been found that certain non qualifying inter-se transfers were undertaken by the Acquirer and PACs on January 01, 2018, who already forms part of the Promoter and Promoter Group of the Target Company for more than 5% of the creeping acquisition limit as provided Regulation 3(2) of the SEBI SAST Regulations and as such inter-se transfer among promoters were not exempted under the Regulation 10 of the SEBI SAST Regulations. The said non qualifying inter-se transfer had triggered an open offer under Regulation 3(2) read with Regulation 4 of the SEBI SAST Regulations. However, being inter-se transfer, there was no change in control or management of the Target Company.

Further, on June 30, 2023, Acquirer has acquired certain shares from the stock market, which has resulted in increase of his shareholding beyond 25% as stipulated under Regulation 3(3) of the SEBI SAST Regulations and hence had triggered an open offer under Regulation 3(3) read with Regulation 4 of the SEBI SAST Regulations. Vijaykumar Khemani is the existing shareholder of the Target Company and hence has not resulted in any change in control or management of the Target Company.

### 3. Details of the Acquirer and PACs

3.1 The details of the Acquirer / PACs are as under:

Details	Name of the Acquirer / PACs	Residential Address / Registered Office / Principal place of business	Names of persons in control / promoters	Name of the Group, if any, to which the Acquirer and the PACs belong to	Pre Transaction shareholding		Proposed shareholding after the acquisition of shares which triggered the Open Offer (excluding the shares tendered in the Open Offer)	
					Number of equity shares	%age of total voting capital *	Number of equity shares	%age of total voting capital
Acquirer	Vijaykumar Khemani	B – 1004, Surya Palace NR Navmangalm Appt, City Light, Surat City – 395 007, Gujarat	NA	NA	59,10,000	25.72%	1,19,17,600	51.87%
PAC 1	BSAS Infotech Limited	D-91-92, Laxminarayan Industrai Estate, Near BRC Compound, Udhna Bhestan Road, Surat, Gujarat, 394210, India	Vikas Khemani	NA	10,77,600	4.69%	10,77,600	4.69%
PAC 2	ONYX Partners, Represented by Vijaykumar Khemani	D-91-92, Laxminarayan Industrai Estate, Near BRC Compound, Udhna Bhestan Road, Surat, Gujarat, 394210, India	Vijaykumar Khemani, Avinash Vijaykumar Khemani and Khemani Distributors and Marketing Limited	NA	4,05,600	1.77%	4,05,600	1.77%
PAC 3	Vijaykumar Mangtaram Khemani HUF	B – 1004, Surya Palace NR Navmangalm Appt, City Light, Surat City – 395 007, Gujarat	Vijaykumar Khemani	NA	-	-	-	-
<b>Total →</b>					<b>73,93,200</b>	<b>32.18%</b>	<b>1,34,00,800</b>	<b>58.33%</b>

\* Assuming all Equity Shares are tendered in the Open Offer, the Acquirer, PACs and other members of the Promoter Group will hold 2,29,74,000 Equity Shares representing 100% of the Paid up and voting Share Capital of the Target Company. As per Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the “SCRR”), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with Securities Contract Regulations Rules, 1957 (“SCRR”), on a continuous basis for listing. If, as a result of the acquisition of Equity Shares in this Open Offer, pursuant to the SPA 1, SPA 2 and SPA 3 and the Open Offer, the public shareholding in the Target Company falls below the minimum level

required as per Rule 19A of the SCRR, the Acquirer undertakes to ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, and in a manner acceptable to the Acquirer.

### 3.2 Any other interest in the Target Company

(a) The following persons, who is also the Acquirer is already Director on the Board of the Target Company:

Sr. No.	Name	Date of appointment & Designation	Designation
1	Vijaykumar Khemani	Managing Director	Appointed as Director on January 06, 2011 and re-appointed from time to time.

(b) The Target Company has related party transactions in the nature of receipt of loan, interest paid and salary.

(c) PAC 2, the partnership firm has Target company as one of the partner having partnership interest aggregating to 15%.

### 3 Details of Selling Shareholder:

Sr. No.	Name of Seller	Part of the Promoter / Promoter Group	Details of shares / voting rights held by the selling shareholders			
			Pre Transaction		Post Transaction	
			Number	%	Number	%
1	Varada Trading Private Limited	No	6,85,600	2.98%	-	-
2	Badnoobs Technology Private Limited	No	11,17,200	4.86%	-	-
3	Azura Projects Private Limited	No	19,19,200	8.35%	-	-
4	Carron Investments Private Limited	No	10,82,800	4.71%	-	-
5	S&D Share & Stock Private Limited	No	2,24,400	0.98%	-	-
6	Ekansh Concepts Limited	No	9,78,400	4.26%	-	-
<b>Grand Total</b>			<b>60,07,600</b>	<b>26.15%</b>	-	-

### 4 Details of Target Company

Name : Khemani Distributors and Marketing Limited  
CIN : L74300GJ2011PLC063520  
Registered Office : Plot No.-D/91-92, Laxminarayan Industrial Park, BRC Compound, Udhna, Bhestan, Surat - 394 210, Gujarat, India  
Stock Exchange(s) where equity shares are listed : The Equity Shares of the Target Company are listed on the following stock exchanges:  
SME Platform of BSE Limited (Scrip code: 539788; Scrip ID: "KDML")  
The ISIN of the Target Company is INE030U01025

## 5 Other Details

- 5.1 The Detailed Public Statement to be issued under the SEBI SAST Regulations shall be published in newspapers, within five (5) working days of the public announcement, in accordance with Regulations 13(4) and 14(3) of the SEBI SAST Regulations on or before August 18, 2023. The Detailed Public Statement, the Draft Letter of Offer and the Letter of Offer shall, *inter-alia*, contain details of the Open Offer including detailed information on the Offer Price, the Acquirer, the PACs, the Target Company, the Seller, the background to the Open Offer, the statutory approvals (including Required Statutory Approvals) required, details of the transactions which triggered the open offer, settlement procedure and other terms of the Open Offer and the Conditions thereto.
- 5.2 The Acquirer and PACs undertakes that they are aware of and shall comply with all obligations under the SEBI SAST Regulations and have adequate financial resources to meet the Offer obligations.
- 5.3 The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI SAST Regulations. This Public Announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- 5.4 In terms of Regulation 7(6) of the SEBI SAST Regulations, except the Acquirer and PACs and existing members of the promoter and promoter group of the Target Company and the Selling Shareholders, all shareholders of the Target Company can participate in the Offer.
- 5.5 The Acquirer and PACs shall comply with the minimum public shareholding requirements as may be prescribed under the applicable laws from time to time.
- 5.6 All the information pertaining to the Target Company contained in this Public Announcement has been obtained from publicly available sources, and the accuracy thereof has not been independently verified by the Manager to the Open Offer.
- 5.7 The Acquirer and the PACs and their respective directors and partners accept full responsibility for the information contained in this Public Announcement. The Acquirer and the PACs undertake that they are aware of and will comply with the obligations under the SEBI SAST Regulations. The Acquirer and the PACs confirm that they have adequate financial resources to meet their obligations under the SEBI SAST Regulations for the purposes of the Open Offer and have made firm financial arrangements for financing the acquisitions of the Offer Shares, in terms of Regulations 25(1) of the SEBI SAST Regulations.
- 5.8 All the information pertaining to the Target Company contained in this Public Announcement has been obtained from publicly available sources or provided by the Target Company.
- 5.9 In this Public Announcement, all references to “Rs.” are references to Indian Rupees.




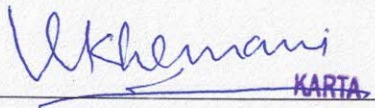
5.10 In this Public Announcement, any discrepancy in any amounts as a result of multiplication or totalling is due to rounding off.

Issued by Manager to the Offer on behalf of the Acquirer and PACs:

**SUNDAE**

**Sundae Capital Advisors Private Limited**  
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SEBI Regn. No.: INM000012494  
Validity Period: Permanent  
Contact Person: NitiN Somani / Rajiv Sharma

*for and on behalf of Acquirer and PACs*

<i>Signed by Vijaykumar Khemani</i> 	<i>Signed by BSAS Infotech Limited</i> <b>BSAS INFOTECH LIMITED</b>  <b>DIRECTOR</b> <i>Vijaykumar Khemani, Director</i>
<i>Signed by ONYX Partners</i> <b>For ONYX PARTNERS</b>  <b>Auth. Signatory</b> <i>Vijaykumar Khemani, Partner</i>	<i>Signed by Vijaykumar Mangturam Khemani HUF</i> <b>For VIJAY KUMAR MANGTURAM KHEMANI (HUF)</b>  <b>KARTA</b> <i>Vijaykumar Khemani, Karta</i>

Place: Surat

Date: August 09, 2023