

CORRIGENDUM TO THE DETAILED PUBLIC STATEMENT DATED DECEMBER 3, 2018 WITH RESPECT TO THE OPEN OFFER TO THE PUBLIC SHAREHOLDERS OF

GAURAV MERCANTILES LIMITED

Registered Office: 3rd Floor, Tower 2B, One Indiabulls Centre, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013;  
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OPEN OFFER TO ACQUIRE UP TO 4,810,000 (FORTY EIGHT LAKH TEN THOUSAND ONLY) FULLY PAID UP EQUITY SHARES, HAVING FACE VALUE OF INR 10 (INDIAN RUPEES TEN ONLY) EACH (“EQUITY SHARES”), REPRESENTING 26% (TWENTY SIX PERCENT ONLY) OF THE EMERGING VOTING SHARE CAPITAL OF GAURAV MERCANTILES LIMITED (“TARGET COMPANY”), FROM THE PUBLIC SHAREHOLDERS OF THE TARGET COMPANY BY RAGHAV BAHL, RITU KAPUR AND MOHAN LAL JAIN PURSUANT TO AND IN COMPLIANCE WITH REGULATIONS 3(1) AND 4 AND OTHER APPLICABLE REGULATIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AS AMENDED FROM TIME TO TIME (“SEBI SAST REGULATIONS”) AT A PRICE OF INR 42.50 (INDIAN RUPEES FORTY TWO AND FIFTY PAISA ONLY) PER EQUITY SHARE (“OFFER PRICE”), PAYABLE IN CASH IN ACCORDANCE WITH THE PROVISIONS OF SEBI SAST REGULATIONS (“OFFER/OPEN OFFER”)

This Corrigendum is being issued by Pantomath Capital Advisors Private Limited, the manager to the Offer (“Manager”/ “Manager to the Offer”), for and on behalf of the Acquirer and PAC in respect of the Offer to the Public Shareholders of the Target Company, pursuant to Regulation 18(5) of the SEBI SAST (Regulations), 2011, revisions/amendments in the schedule of activities relating to the Offer and other material changes.

This corrigendum should be read in continuation of and in conjunction with the detailed public statement dated December 03, 2018 (“DPS”), unless otherwise specified.

This Corrigendum is being issued pursuant to changes/ amendments in the schedule of major activities relating to the Open Offer and the Offer Size as disclosed in the draft letter of offer dated December 11, 2018 (“DLoF”), in terms of the Securities and Exchange Board of India (“SEBI”) letter dated January 09, 2020 bearing reference no. SEBI/HO/CFD/DCR1/OW/P/2020/1296 conveying comments on the DLoF.

This Corrigendum is being issued in all the newspapers in which the DPS was published.

Capitalized terms used but not defined in this Corrigendum shall have the same meaning assigned to such terms in the Draft Letter of Offer and the Letter of Offer, unless otherwise defined.

1. Revision in Offer Size

The Target Company, pursuant to its board meeting dated April 2, 2019, has on May 25, 2019, allotted 1,400,000 (Fourteen Lakh only) CCPS and 10,000,000 (One Crore only) Warrants to the Acquirer and the PAC; and 600,000 (Six Lakh only) CCPS and 4,500,000 (Forty five Lakh only) Warrants to certain Public Shareholders of the Target Company, on preferential basis. The Emerging Voting Share Capital of the Target Company has been computed on a fully diluted basis i.e. after taking into account the CCPS and Warrants issued by the Target Company to the Acquirer, PAC and Public Shareholders. Thus, the offer size stands increased from 520,000 (Five Lakh Twenty Thousand) Equity Shares (as disclosed in the DLoF) to 4,810,000 (Forty Eight Lakh Ten Thousand only) Equity Shares. Disclosure in relation to the increase in the Offer Size has been accordingly made in the LoF.

2. Information about Acquirer / PAC

2.1. Mr. Mohan Lal Jain (“PAC 2”) is an individual aged 60 years and is a resident of Tower 3, Villa 1, La Tropicana, Khyber Pass, Magazine Road, Civil Lines, New Delhi-110054, India; Tel. No: +91 11 45142374; Fax No.: N.A.; Email ID: mljain58@gmail.com. The PAC 2 is a director on the board of the Target Company and holds 923,150 Warrants in the Target Company.

He is a Chartered Accountant specializing in advisory and compliance services for various clients in the media and entertainment sector, trading, solar sector and real estate sector and has an experience of over 33 years.

The details of the ventures promoted/controlled/managed by the PAC 2 are as given below hereinafter:

Sr. No.	Name of the entity	Nature of Interest
1.	RB Diversified Private Limited	Director
2.	H P Cotton Textile Mills Limited	Director
3.	RMS Diversified Private Limited	Director
4.	MJ Softech Private Limited	Shareholder and Director
5.	MLJ Financial Consultants Private Limited	Director
6.	Pverty Enterprises LLP	Designated Partner

2.2. PAC 2 is not a ‘wilful defaulter’ in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations and has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.

2.3. The Acquirer, PAC 1 and PAC 2 have entered into an agreement on April 2, 2019, in relation to co-operation for acquisition of Equity Shares or voting rights or in exercising control over the Target Company, subject to the overall direction and supervision of the Acquirer.

2.4. The net worth of the Acquirer is approximately INR 1,146 crore (Indian Rupees One Thousand One Hundred Forty Six Crore only) as on November 30, 2019 as certified vide certificate dated January 10, 2020 issued by Manik Kalra & Associates, Chartered Accountants (Firm registration number: 209705) having office at House Number 404, Sector 13, Urban Estate, Kurukshetra – 136 118. The net worth of PAC 1 is approximately INR 52 crore (Indian Rupees Fifty Two Crore only) as on November 30, 2019 as certified vide certificate dated January 10, 2020 issued by Manik Kalra & Associates, Chartered Accountants (Firm registration number: 209705) having office at House Number 404, Sector 13, Urban Estate, Kurukshetra – 136 118. The net worth of PAC 2 is approximately INR 13 crore (Indian Rupees Thirteen Crore only) as on November 30, 2019 as certified vide certificate dated January 10, 2020 issued by Manik Kalra & Associates, Chartered Accountants (Firm registration number: 209705) having office at House Number 404, Sector 13, Urban Estate, Kurukshetra – 136 118.

3. Details of the Target Company

3.1. The Target Company is inter alia engaged in the business of media and entertainment, including but not limited to digital media and content business.

3.2. The authorised share capital of the Target Company is INR 225,000,000 (Indian Rupees Twenty Two Crore Fifty Lakh only) comprising of 20,000,000 (Two Crore only) equity shares of INR 10 (Indian Rupees Ten only) each and 2,500,000 (Twenty Five Lakh only) preference shares of INR 10 (Indian Rupees Ten only) each. The issued, subscribed and fully paid-up equity share capital of the Target Company is INR 20,000,000 (Indian Rupees Two Crore only) comprising of 2,000,000 (Twenty Lakh only) equity shares of INR 10 (Indian Rupees Ten only) each. Further, the Target Company has issued 2,000,000 (Twenty Lakh only) CCPS of face value of INR 10 (Indian Rupees Ten only) and 14,500,000 (One Crore Forty Five Lakh only) Warrants entitling the Warrant holders to subscribe to one Equity Share of INR 10 (Indian Rupees Ten only) for each Warrant issued.

3.3. The Acquirer and the PAC 1 and PAC 2 have been classified as the promoter and promoter group of the Target Company; and the Board of Directors of the Target Company has been reconstituted as follows:

Name of Director	Designation	Date of Appointment	Director Identification Number (DIN)
Mr. Raghav Bahl	Whole Time Director	January 8, 2019	00015280
Ms. Ritu Kapur	Non-executive Director	January 8, 2019	00015423
Mr. Mohan Lal Jain	Non-executive Director	February 26, 2019	00063240
Mr. Parshotam Dass Agarwal	Independent Director	February 26, 2019*	00063017
Mr. Sanjeev Krishana Sharma	Independent Director	February 26, 2019*	00057601

\*Please note that the date of appointment for Mr. Parshotam Dass Agarwal and Mr. Sanjeev Krishana Sharma is appearing as February 15, 2019 on the MCA website. The Target Company has submitted a letter to the Registrar of companies, Maharashtra at Mumbai dated March 26, 2019 for rectifying the appointment date for these directors.

3.4. The key financial information of the Target company based on audited financial statements for the Financial Year ended March 31, 2019 and for the limited reviewed financials for half year ended September 30, 2019 are as follows:

Sr. No.	Particulars	Half Year ended September 30, 2019	Financial Year ended March 31, 2019
1.	Total Revenue	49.82	48.31
2.	Net Income/ Profit After Tax	(4.79)	11.24
3.	Earnings Per Share (in INR)	(0.24)	0.56
4.	Net worth / shareholders’ funds	2,957.05	571.22

4. Details of the Offer

The Offer is a mandatory offer, being made by the Acquirer and the PAC to all the Public Shareholders, in compliance with Regulations 3(1) & 4 and other applicable provisions of the SEBI (SAST) Regulations, 2011, pursuant to the Share Purchase Agreement dated November 27, 2018 entered into by and amongst the Sellers, the Acquirer, the PAC 1 and the Target Company for acquisition of 1,328,300 fully paid up Equity Shares having face value of INR 10 (Indian Rupees Ten only) each constituting 66.42% (Sixty six point four two percent only) of the voting share capital (on a non-diluted basis) of the Target Company at a price of INR 42.50 (Indian Rupees Forty Two and Fifty Paise only) per fully paid-up Equity Share aggregating to INR 56,452,750 (Indian Rupees Five Crore Sixty Four Lakh Fifty Two Thousand Seven Hundred and Fifty only) payable in cash. In terms of the SPA, the Acquirer and the PAC 1 have acquired 1,328,300 fully paid up Equity Shares of the Target Company through an off-market transaction at a price of INR 42.50 (Indian Rupees Forty Two and Fifty Paise only) per fully paid-up Equity Share (excluding transaction charges) and the settlement for such Equity Shares was completed on January 08, 2019, constituting 66.42% (Sixty six point four two percent only) of the voting share capital (on a non-diluted basis) of the Target Company.

5. Details of Firm Financial Arrangements:

5.1. Assuming full acceptance of the Offer, the total consideration for the Offer i.e. for the acquisition of up to 4,810,000 (Forty Eight Lakh Ten Thousand only) Equity Shares at the Offer Price of INR 42.50 (Indian Rupees Forty Two and Fifty Paise only) per Equity Share, is INR 204,425,000 (Indian Rupees Twenty Crore Forty Four Lakh Twenty Five Thousand only) (“Maximum Consideration”).

5.2. The Acquirer has confirmed that he has adequate financial resources to meet the obligations under the Offer. The Acquirer, the Manager and IndusInd Bank Limited, a banking corporation incorporated under the laws of India, acting through its branch office at Premises no. 61, Sonawala Building, Mumbai Samachar Marg, Fort, Mumbai – 400 001, have entered into an escrow agreement dated November 27, 2018 for the purpose of the Offer (“Escrow Agreement”). Pursuant to the Escrow Agreement and in compliance with Regulation 17(1) of the SEBI (SAST) Regulations, 2011, the Acquirer has opened an escrow account named “GAURAV MERCANTILES-OPEN OFFER-CASH ESCROW ACCOUNT” (the “Open Offer Escrow Account”) bearing account number 250556040798. The Acquirer has on November 28, 2018 made a cash deposit of a sum of INR 22,100,000 (Indian Rupees Two Crore Twenty One Lakh only) in the Offer Escrow Account (“Cash Escrow”) as confirmed by IndusInd Bank Limited by way of letter dated November 28, 2018 which was equivalent to 100% of the original consideration. As on the date of this LOF, the existing cash deposit i.e. INR 22,100,000 (Indian Rupees Two Crore Twenty One Lakh only) is equivalent to 10.81% of the value of the Maximum Consideration. The Manager is duly authorised by the Acquirer to realise the value of the Escrow Account and to operate the Escrow Account in terms of the SEBI (SAST) Regulations, 2011. On account of revision in the offer size, the Acquirer has furnished a bank guarantee dated January 15, 2020 issued by Barclays Bank PLC acting through its branch office at 1st Floor, Eros Corporate Tower, Nehru Place, New Delhi – 110019, India, of an amount of INR 182,325,000 (Indian Rupees Eighteen Crore Twenty Three Lakh and Twenty Five Thousand only) (“Bank Guarantee”) being equal to 89.19 % of the Maximum Consideration. The Bank Guarantee is valid up to March 25, 2020. The Manager to the Offer has been duly authorized to realize the value of the Bank Guarantee in terms of the SEBI (SAST) Regulations, 2011. The Acquirer has undertaken to extend the validity of the Bank Guarantee or make other arrangements for such period as may be required, in accordance with the SEBI (SAST) Regulations, 2011, such that the Bank Guarantee shall be valid for at least thirty days after completion of payment of consideration to shareholders who have validly tendered their shares in acceptance of the Offer. The bank issuing the Bank Guarantee is neither an associate company nor a group company of the Target Company.

5.3. Manik Kalra & Associates, Chartered Accountants (Firm registration number: 209705) having office at House Number 404, Sector 13, Urban Estate, Kurukshetra – 136 118 have certified vide certificate dated January 10, 2020 that sufficient resources, based on the net-worth position, are available with the Acquirer for fulfilling his obligations under this Offer in full.

6. The Public Shareholders are requested to kindly note the following revisions/ amendments in the schedule of major activities relating to the Offer:

The revised schedule of activities pertaining to the Offer is set out below:

Activity	Original schedule of activities (Day and Date)	Revised schedule of activities (Day and Date)
Date of Public Announcement (PA)	November 27, 2018 (Tuesday)	November 27, 2018 (Tuesday)

Date of publishing of the DPS in Newspapers	December 04, 2018 (Tuesday)	December 04, 2018 (Tuesday)
Last date for filing of the Draft Letter of Offer with SEBI	December 11, 2018 (Tuesday)	December 11, 2018 (Tuesday)
Last date for public announcement of the Competing Offer(s) as per the first detailed public announcement*	December 26, 2018 (Wednesday)	December 26, 2018 (Wednesday)
Last date for receipt of SEBI observations on the Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Offer)	January 02, 2019 (Wednesday)	January 9, 2020 (Thursday)**
Identified Date#	January 04, 2019 (Friday)	January 13, 2020 (Monday)
Last date by which the Letter of Offer is to be dispatched to the Public Shareholders, whose name appears on the register of members on the Identified Date	January 11, 2019 (Friday)	January 20, 2020 (Monday)
Last Date by which the committee of the Independent Directors of the Target Company shall give its recommendation to the Public Shareholders of Target Company for the Offer	January 15, 2019 (Tuesday)	January 23, 2020 (Thursday)
Last date for upward revision of the Offer Price and/or Offer Size	January 16, 2019 (Wednesday)	January 23, 2020 (Thursday)
Date of publication of Offer opening Public Announcement in the newspapers in which the DPS was published	January 17, 2019 (Thursday)	January 24, 2020 (Friday)
Date of Commencement of the Tendering Period (Offer Opening Date)	January 18, 2019 (Friday)	January 27, 2020 (Monday)
Date of Closure of the Tendering Period (Offer Closing Date)	January 31, 2019 (Thursday)	February 7, 2020 (Friday)
Last date of communicating the rejection/ acceptance and completion of payment of consideration for accepted tenders or return of unaccepted/ rejected Equity Shares	February 14, 2019 (Thursday)	February 25, 2020 (Tuesday)
Issue of post offer advertisement	February 22, 2019 (Friday)	March 3, 2020 (Tuesday)
Last date for filing of final report with SEBI	February 22, 2019 (Friday)	March 3, 2020 (Tuesday)

\* There was no competing offer to the Acquirer’s Offer.

\*\*Actual date of receipt of SEBI’s final observation in relation to the Draft Letter of Offer

# The Identified Date is only for the purpose of determining the names of the eligible shareholders of the Target Company as on such date to whom the Letter of Offer would be dispatched. It is clarified that all Public Shareholders, whether registered or unregistered, are eligible to participate in this Offer at any time during the Tendering Period. Provided, however, the Target Company has allotted 1,400,000 (Fourteen Lakh only) CCPS and 10,000,000 (One Crore only) Warrants to the Acquirer and PAC; and 600,000 (Six Lakh only) CCPS and 4,500,000 (Forty five Lakh only) Warrants to certain public shareholders of the Target Company, on preferential basis on May 25, 2019. Subject to compliance with applicable laws including SEBI (SAST) Regulations, 2011 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, each as amended from time to time, if the Public Shareholders holding Warrants and/or CCPS convert their Warrants and/or CCPS into the Equity Shares during the Offer Period then such Public Shareholders shall be eligible to tender their Equity Shares, allotted to them pursuant to conversion of Warrants and/or CCPS, in the Offer.

Note: The above dates wherever they appear in the DPS should be read accordingly.

7. Other Information:

1. All other material terms and conditions of the Open Offer as set out in the DPS and/or in the DLoF remain unchanged
2. The Acquirer accept full responsibility for the information contained in this Corrigendum to the DPS and also the obligations of the Acquirer as laid down in the SEBI SAST Regulations and subsequent amendments thereof.
3. This Corrigendum to the DPS will also be available on SEBI’s website at www.sebi.gov.in

MANAGER TO THE OFFER	
	<b>Pantomath Capital Advisors Private Limited</b>
	406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East – 400 051 <b>Tel:</b> +91 22 61946700/750, <b>Fax:</b> +91 22 26598690
	<b>Email ID:</b> unmesh.zagade@pantomathgroup.com
	<b>Contact Person:</b> Unmesh Zagade <b>SEBI Regn. No.</b> INM000012110
Issued for and on behalf of the Acquirer and PAC	
Acquirer	
<b>Raghav Bahl</b>	
F-3, Sector 40, Noida – 201301, Uttar Pradesh, India	
PAC 1	
<b>Ritu Kapur</b>	
F-3, Sector 40, Noida – 201301, Uttar Pradesh, India	
PAC 2	
<b>Mohan Lal Jain</b>	
Tower 3, Villa 1, La Tropicana, Khyber Pass, Magazine Road, Civil Lines, New Delhi-110054	

Date : January 16, 2020

Place : Noida