

Public Announcement ("PA") under Regulation 15(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended

FOR THE ATTENTION OF PUBLIC SHAREHOLDERS OF  
KEMISTAR CORPORATION LIMITED

Corporate Identity Number: L24233GJ1994PLC022845

Registered Office: 604, Manas Complex, Jodhpur Cross Road Satellite, Ahmedabad - 380015, Gujarat, India

Open Offer ("Offer") for acquisition of up to 16,16,287 Equity Shares of ` 10/- each representing 26.00% of the Emerging Voting Capital from the Public Shareholders of Kemistar Corporation Limited (hereinafter referred to as "KCL" or "the Target Company" or "TC") in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations, 2011" or "SEBI (SAST) Regulations" or "the Regulations") by Mr. Ketankumar P. Patel ("Acquirer 1") and Mr. Parshottambhai M. Patel ("Acquirer 2"), (Acquirer-1 and Acquirer-2 are collectively referred to as "Acquirers") along with Mrs. Shantaben P. Patel ("PAC 1"), Mr. Dipakkumar P. Patel ("PAC 2"), Mrs. Hiralben D. Patel, ("PAC 3"), Patel Parshottambdas M. HUF ("PAC 4"), Patel Dipakkumar Parashottamdass HUF ("PAC 5"), and (PAC 1, PAC 2, PAC 3, PAC 4, and PAC 5 are hereinafter collectively referred to as "PACs").

This public announcement (the "PA" or "Public Announcement") is being issued by Vivro Financial Services Private Limited (the "Manager to the Offer"), for and on behalf of the Acquirers and the PACs to the Public Shareholders of the Target Company pursuant to and in compliance with Regulation 3(1), Regulation 13, Regulation 14 and Regulation 15(1) and other applicable Regulations of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations, 2011" or "SEBI (SAST) Regulations" or "the Regulations").

**1. Definitions:**

- a) "Equity Shares" means the equity shares of face value of ` 10/- (Rupees Ten only) each of the Target Company;
- b) "Emerging Voting Capital" shall mean the paid-up equity share capital of 62,16,488 Equity Shares of ` 10/- (Rupees Ten only) each of the Target Company after taking into account the Preferential Issue of 43,50,096 Equity Shares;
- c) "Open Offer or "Offer" shall mean the Open Offer made by the Acquirers and the PACs to the Public Shareholders of the Target Company for acquisition of 26.00% of the Emerging Voting Capital in accordance with the Regulations.
- d) "Preferential Issue" shall mean proposed issue and allotment of 43,50,096 Equity Shares of face value of ` 10/- (Rupees Ten only) each at a price of ` 14.77 (Rupees Fourteen and Paise Seventy Seven only) per Equity Share representing 69.98% of the Emerging Voting Capital as approved by the Board of Directors of the Target Company at its meeting held on February 23, 2018 subject to approval of the members of the Target Company and other statutory authorities pursuant to the Swap Arrangement;
- e) "Swap Arrangement" means the swap arrangement dated February 23, 2018 executed amongst the Target Company, K P International Private Limited ("KPIPL") and the shareholders of KPIPL as mentioned therein ("K.P. Investors") pursuant to which the Target Company shall make the Preferential Issue against the swap of shares of KPIPL by K. P. Investors in the ratio of 204:100 i.e. Two Hundred and Four Equity Shares of the Target Company for every One Hundred shares of KPIPL swapped by K. P. Investors.



## 2. Offer Details:

- **Offer Size (No. of Equity Shares):** The Acquirers along with the PACs hereby make this Offer to the Public Shareholders of the Target Company to acquire up to 16,16,287 Equity Shares of face value of ` 10/- (Rupees Ten only) each representing 26.00% of the Emerging Voting Capital of the Target Company subject to the terms and conditions mentioned in this Public Announcement, Detailed Public Statement (“DPS”) that will be published and the Letter of Offer (“LoF”) which will be sent to the Equity Shareholders of the Target Company, in accordance with Regulations 7(1) of the SEBI (SAST) Regulations.
- **Offer Price/ Consideration (in `):** The Offer price of ` 17.20 (Rupees Seventeen and Paise Twenty only) per Equity Share of face value of ` 10/- (Rupees Ten only) each, is in compliance with Regulation 8 of the SEBI (SAST) Regulations (“Offer Price”), aggregating to a consideration of ` 2,78,00,137/- (Rupees Two Crores Seventy Eight Lakhs One Hundred and Thirty Seven Only) assuming full acceptance in the Open Offer (“Offer Size”).
- **Mode of payment:** The Offer Price is payable in “Cash” in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- **Type of Offer:** This Offer is a triggered offer under Regulation 3(1) of the SEBI (SAST) Regulations pursuant to Preferential Allotment of Equity Shares of the Target Company to the Acquirers and the PACs.

## 3. Transaction which has triggered the Open Offer Obligations (Underlying Transaction):

Type of Transaction (Direct/ Indirect)	Mode of Transaction (Agreement/ Allotment/ market purchase)	Details of Underlying Transaction		Total Consideration for shares/ Voting Rights (VR) acquired (in ` Lakhs)	Mode of payment (Cash/ Securities)	Regulation which has triggered
		Shares/ Voting rights proposed to be acquired				
		Number	% vis-a-vis total Equity /Voting capital			
Direct	Preferential Allotment	43,50,096	69.98% of the Emerging Voting Capital	642.51	Swap of shares held in KPIPL	3(1)

*Note: On February 23, 2018, the Board of Directors of the Target Company, inter-alia, has pursuant to section 62 and other applicable provisions of Companies Act, 2013 and SEBI (ICDR) Regulations, 2009 and subject to approval of the members of the Target Company and other statutory authorities, approved the issuance and allotment of 43,50,096 Equity Shares of face value of ` 10/- each representing 69.98% of the Emerging Voting Capital of the Target Company through Preferential Issue to the Acquirers and PACs against swap of their shares of KPIPL in the ratio of 204: 100 i.e. Two Hundred and Four Equity Shares of the Target Company for every One Hundred shares of KPIPL swapped.*



The details of proposed allotment are as under:

Sr. No.	Name of the Proposed Allottees	No. of Equity Shares proposed to be allotted on preferential basis
1	Mr. Ketankumar P. Patel	2,70,096
2	Mr. Parshottambhai M. Patel	10,62,840
3	Mrs. Shantaben P. Patel	12,13,800
4	Mr. Dipakkumar P. Patel	16,320
5	Mrs. Hiralben D. Patel	6,12,000
6	Patel Parshottamdas M. HUF	8,36,400
7	Patel Dipakkumar Parshottamdas HUF	3,38,640
	<b>Total</b>	<b>43,50,096</b>

Upon completion of the aforementioned Preferential Allotment of Equity Shares to the Acquirers and PACs, their aggregate holding in the Target Company would exceed the threshold set out in Regulation 3(1) of the SEBI (SAST) Regulations. As such this Offer is being made under Regulation 3(1) of the Regulations. Post completion of the Offer, the PACs will form part of the promoter and promoter group of the Target Company.

4. Acquirer(s) / PACs

5.

Details	Acquirer 1	Acquirer 2	PAC 1	PAC 2	PAC 3	PAC 4	PAC 5	Total
Name of Acquirer(s) /PACs	Mr. Ketankumar P. Patel	Mr. Parshottambhai M. Patel	Mrs. Shantaben P. Patel	Mr. Dipakkumar P. Patel	Mrs. Hiralben D. Patel	Patel Parshottambdas M. HUF	Patel Dipakkumar Parshottamdas HUF	7
Common Address	11,12 Devpriya Bungalow part 1, 100 ft. Road, Satellite, Ahmedabad-380015, Gujarat, India.							-
Name(s) of persons in control/ promoters of acquirers/ PACs, where Acquirers/ PACs are companies	Not Applicable							-
Name of the Group, if any, to which the Acquirers /PACs belongs to	None							-
Pre Transaction shareholding								
• Number	28,040	63,100	Nil	1,952	Nil	Nil	Nil	93,092
• % of Emerging Voting Capital	0.45	1.02	Nil	0.03	Nil	Nil	Nil	1.50



Acquisition of Equity Shares which triggered the Open Offer • Number • % of Emerging Voting Capital	2,70,096	10,62,840	12,13,800	16,320	6,12,000	8,36,400	3,38,640	43,50,096
	4.34	17.10	19.53	0.26	9.84	13.45	5.45	69.98
Any other interest in the Target Company	Managing Director	Promoter & Father of Acquirer 1	Mother of Acquirer 1	Brother of Acquirer 1	Sister in Law of Acquirer 1	-	-	-

Note: The difference, if any in the percentages is due to rounding-off.

6. **Details of the Sellers:** Not Applicable

7. **Target Company:**

- **Name:** Kemistar Corporation Limited
- **Registered Office:** 604, Manas Complex, Jodhpur Cross Road Satellite, Ahmedabad - 380015, Gujarat, India
- **CIN:** L24233GJ1994PLC022845
- **Exchanges where Equity Shares of Target Company are listed:** The Equity Shares of the Target Company are currently listed and traded only on BSE Limited (the "BSE") with Scrip ID as "KEMISTAR" and Scrip code as "531163".

8. **Other Details:**

- The Detailed Public Statement pursuant to this PA to be issued in terms of Regulation 13(4) of the SEBI (SAST) Regulations containing further information pertaining to the Offer including inter alia, background of the Offer, detailed information on Offer Price, Target Company, Acquirers, statutory approvals required for completion of Offer and other terms and conditions of Offer shall be published on or before March 5, 2018 (i.e. within 5 working days from date of this PA), in newspapers as required under Regulation 14(3) of the SEBI (SAST) Regulations.
- The Acquirers and the PACs 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 Offer obligations and have made firm arrangements for financing the acquisition of Equity Shares under the Offer.
- This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations and is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations.
- The Acquirers and the PACs accept full responsibility for the information contained in this Public Announcement.




Issued by Manager to the Offer

**VIVRO**

**Vivro Financial Services Private Limited**

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SEBI Registration No. MB/INM000010122, CIN: U67120GJ1996PTC029182

Contact Person: Mrs. Shashi Singhvi/ Mr. Yogesh Malpani

On behalf of the Acquirers and PACs



Ketankumar P. Patel

Place: Ahmedabad

Date: February 23, 2018

