

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

Shivkrupa Machineries and Engineering Services Limited
(Formerly known as Hariganga Machineries and Engineering Services Limited)
Corporate Identification Number (“CIN”): L45208MH1980PLC022506
Registered Office: Old Motor Stand, Itwari, Nagpur 440 008, Maharashtra, India.
Tel. No. +91-712-2768748/49; Email: shivkrupamachineries@gmail.com
Corporate Office: F-24, First Floor, Raghuleela Mega Mall, Behind Poinsur Depot, Kandivali (West),
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Open Offer (the “Offer”) to the shareholders of the Target Company for acquisition of 36,93,820 fully paid-up equity shares of Rs. 10 each (the “Equity Shares”) constituting 26% of the Diluted Share & Voting Capital (as defined below) of Shivkrupa Machineries and Engineering Services Limited (the “Target Company”) by M/s Pritika Industries Limited (“Acquirer 1”), Mr. Raminder Singh Nibber (“Acquirer 2”) and Mr. Harpreet Singh Nibber (“Acquirer 3”) (all three are jointly referred to as the “Acquirers”) alongwith Mrs. Rishi Mangat (“PAC 1”), Mr. Gurkaran Singh Nibber (“PAC 2”) (both are jointly referred to as the “PACs”) pursuant to and in compliance with Regulation 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended (the “Takeover Regulations”).

1. Definitions

- 1.1. **“Equity Shares”** means the fully paid up equity shares of the Target Company of face value of ₹10 (Rupees Ten Only) each.
- 1.2. **“Diluted Share & Voting Capital”** means the total voting equity share capital of the Target Company consisting of **1,42,07,000** Equity Shares of ₹10 each on a fully diluted basis as of the tenth (10th) working day from the closure of the Tendering Period (“**TP**”) of the Offer. This includes the proposed preferential issue of Equity Shares to the Acquirers, the PACs and Others by the Target Company.
- 1.3. **“Existing Share & Voting Capital”** means paid up share capital of the Target Company prior to the proposed preferential issue i.e.; ₹4,69,25,000 divided into 46,92,500 Equity Shares of ₹ 10 each.
- 1.4. **“Persons Acting in Concert” or “PACs”** includes the following persons within the meaning of Regulation 2(1)(q)(1) of the Takeover Regulations in relation to this Offer:

Name of the PACs	No. of Equity Shares held in the Target Company as of the PA	Relation with the Acquirer 1	Relation with the Acquirer 2	Relation with the Acquirer 3
Mrs. Rishi Mangat	NIL	-	Daughter-in-	Wife

(" PAC 1 ")			law	
Mr. Gurkaran Singh Nibber (" PAC 2 ")	NIL	Shareholder	Grandson	Son
Ms. Pavit Nibber (Minor)	NIL	Shareholder	Granddaughter	Daughter

Note: (1) All Open Offer Shares will be solely acquired by Acquirer 1. Acquirer 2, Acquirer 3 and the PACs have undertaken that they do not intend to acquire any Open Offer Shares. Mr. Harpreet Singh Nibber is the Authorised Signatory for Acquirer 1 and the Constituted Attorney on behalf of Acquirer 2 and the PACs vide Power of Attorney dated January 24, 2017 (the "**POA**") in relation to the Offer.

(2) Ms. Pavit Nibber who is the daughter of Mr. Harpreet Singh Nibber and Mrs. Rishi Mangat has been excluded from the preview of Regulation 2(1)(q)(2) of the Takeover Regulations as she is a minor. However, Ms. Pavit Nibber's shareholding has been clubbed with Mr. Harpreet Singh Nibber who is her legal and natural guardian.

(3) Apart from the PACs listed in the table above, there are certain individuals and an entity who are holding minor stakes in the Selling Companies (as defined below) being employee, director or public shareholder and who do not have any intention to get control of the Target Company and for the purpose of the present Offer these individuals / entity are not acting in concert with the Acquirers.

- 1.5. "**Proposed Preferential Issue**" / "**the Preferential Issue**" means the proposed preferential allotment as approved by the Board of Directors of the Target Company at their meeting held on **January 25, 2017** subject to approval of the members and other regulatory approvals of **20,08,035** Equity Shares of face value of ₹10 each at premium of ₹27.40 per Equity Share to the Shareholders of the Selling Company 1 and the Selling Company 2 and Others.

Also, the Board of Directors in the same meeting has approved allotment of **51,83,604** Equity Shares and **23,22,861** Equity Shares to the shareholders of Selling Company 1 and Selling Company 2 respectively other than cash at premium of ₹27.40 per Equity Share (subject to approval of the members and other regulatory approvals) against Sale Share & Subscription Agreement 1 ("**SSSA 1**") and Sale Share & Subscription Agreement 2 ("**SSSA 2**") respectively.

- 1.6. "**Selling Companies**" means the companies being acquired by the Target Company namely Pritika Autocast Limited ("**Selling Company 1**") and Nibber Castings Private Limited ("**Selling Company 2**") promoted by the Acquirers.
- 1.7. "**Valuation Reports**" means the valuation reports dated **January 24, 2017** issued by M/s Navigant Corporate Advisors Limited, a Category I Merchant Banker registered with SEBI (**the "Valuer"**) w.r.t. calculating the fair market value of the equity shares of the Selling Companies.
- 1.8. It is proposed to allot the following number of Equity Shares of the Target Company to the Acquirers and the PACs in the Preferential Issue:

Name of proposed allottees	No. of Equity Shares to be allotted of TC w.r.t. SSSA 1	No. of Equity Shares to be allotted of TC w.r.t. SSSA 2	Fresh Issue of Shares in the Pref. Issue	Total Number of Equity Shares held in TC post Pref. Issue	% of Total Number of Equity Shares on Diluted Share & Voting Capital
Acquirer 1	35,00,928	10,59,225	NIL	45,60,152	32.10%
Acquirer 2	5,18,693	3,92,489	1,50,000	10,61,182	7.47%
Acquirer 3	11,16,825*	4,80,572	2,05,000	18,02,397	12.69%
I. Total (Acquirers)	51,36,446	19,32,286	3,55,000	74,23,732	52.25%
PAC 1	NIL	65,040	NIL	65,040	0.46%
PAC 2	45,041	1,86,117	NIL	2,31,158	1.63%
II. Total (PACs)	45,041	2,51,157	NIL	2,96,198	2.08%
III. Other Shareholders of the Selling Companies	2,117	1,39,418	1,00,000	2,41,535	1.70%
III. Others	NIL	NIL	15,53,035	15,53,035	10.93%
Grand Total (I+II+III)	51,83,604	23,22,861	20,08,035	95,14,500	66.97%

*Ms. Pavit Nibber's 45,664 Equity Shares are clubbed with shareholding of Acquirer 3.

2. Offer Details

- 2.1. **Offer Size (No. of Equity Shares):** The Offer is for acquisition of **36,93,820** (Thirty-Six Lakh Ninety-Three Thousand Eight Hundred and Twenty only) Equity Shares constituting 26% of the Diluted Share & Voting Capital of the Target Company. The face value of Equity Shares of the Target Company is ₹10/- (Rupees Ten only).
- 2.2. **Offer Price / Consideration (in ₹):** The Offer Price is **₹37.50** (Rupees Thirty-Seven and Paise Fifty only) per Equity Share calculated in accordance with Regulation 8(1) and 8(2) of the Takeover Regulations. The total funds required by the Acquirers for implementation of the Offer (assuming full acceptances) aggregates to ₹13,85,18,250 (Rupees Thirteen Crore Eighty-Five Lakh Eighteen Thousand Two Hundred and Fifty only) ("**Offer Consideration**").
- 2.3. **Mode of payment (cash / security):** The Offer Price is payable in "**Cash**" in accordance with Regulation 9(1)(a) of the Takeover Regulations.
- 2.4. **Type of offer (Triggered offer, voluntary offer/ competing offer etc.):** This is a "**Triggered Offer**" under the Regulation 3(1) and 4 of the Takeover Regulations pursuant to Preferential Allotment of Equity Shares by the Target Company to the Acquirers and the PACs, towards the purchase consideration paid by the Target Company for acquiring the Selling Companies and the

execution of the Share Purchase Agreement dated **January 25, 2017** (the “**SPA**”) entered into between Acquirer 3 and Mr. Harish Gangaram Agarwal (the “**Seller**”) for acquiring 83,200 Equity Shares (the “**Sale Shares**”) of ₹10/- each at a price of ₹20/- per Equity Share (the “**Negotiated Price**”) aggregating to ₹16.64 Lakh representing 0.59% of the Diluted Share & Voting Capital of the Target Company.

- 2.5. The Equity Shares of the Target Company shall be allotted to the shareholders of the Selling Company 1 against the total consideration of **₹1938.67 Lakh** and to effect this a Share Sale & Subscription Agreement dated January 25, 2017 (“**the SSSA 1**”) is entered between the shareholders of the Selling Company 1 and the Target Company subject to necessary approvals.
- 2.6. Also, the Equity Shares of the Target Company shall be allotted to the shareholders of the Selling Company 2 against the total consideration of **₹868.75 Lakh** and to effect this a Share Sale & Subscription Agreement dated January 25, 2017 (“**the SSSA 2**”) is entered between the shareholders of the Selling Company 2 and the Target Company subject to necessary approvals.

Both Share Subscription Agreements are jointly referred to as the “**SSSAs**”.

3. 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 (₹ in Lakh)	Mode of payment (Cash / Securities)	Regulation which has triggered
		Number	% vis-a-vis total diluted share or voting capital*			
Direct	Share Sale & Subscription Agreement 1 (SSSA 1)	51,83,604	36.49%	₹1938.67	Issue of Equity Shares of the Target Company to the shareholders of the Selling Company 1, being the purchase consideration paid by the Target Company for acquisition of the Selling Company 1	Regulation 3(1) and 4
Direct	Share Sale & Subscription Agreement 2 (SSSA 2)	23,22,861	16.35%	₹868.75	Issue of Equity Shares of the Target Company to the shareholders of the Selling Company 2, being the purchase	Regulation 3(1) and 4

					consideration paid by the Target Company for acquisition of the Selling Company 2	
Direct	Share Purchase Agreement (SPA)	83,200	0.59%	₹16.64	Cash to the Current Promoter of the Target Company	Regulation 3(1) and 4

Note: *As a percentage of the Diluted Share & Voting Capital.

4. Acquirers / PACs:

a. Acquirers

Details	Acquirer 1	Acquirer 2	Acquirer 3	Total
Name of Acquirers	Pritika Industries Limited (CIN: U34300PB1997PLC038216)	Mr. Raminder Singh Nibber	Mr. Harpreet Singh Nibber	-
Registered Office / Residential Address of the Acquirers	Plot No. C-94, Phase-VII, Industrial Focal Point, S.A.S. Nagar, Mohali 160 055, Punjab, India.	1021, Phase IV, SAS Nagar, Mohali 160 059, Punjab, India.	1021, Phase IV, SAS Nagar, Mohali 160 059, Punjab, India.	-
Name(s) of persons in control/promoters of Acquirers/ where Acquirers are companies	Mr. Raminder Singh Nibber and Mr. Harpreet Singh Nibber	Not Applicable	Not Applicable	-
Name of the Group, if any, to which the Acquirers belongs to	Pritika Group of Industries	Not Applicable	Not Applicable	-
Pre Transaction shareholding				
Number of Equity Shares	0	0	0	0
% of total share capital and total voting capital*	0.00%	0.00%	0.00%	0.00%
Proposed shareholding after the acquisition of equity shares which triggered the Open Offer				
Number of Equity Shares	45,60,152	10,61,182	18,85,597[#]	75,06,932
% of total share capital and total voting capital*	32.10%	7.47%	13.27%	52.84%
Any other interest in the Target Company	To the extent of shareholding and management control	To the extent of shareholding and management control	To the extent of shareholding and management control	-

* As a percentage of the Diluted Share & Voting Capital.

Acquirer 3 holding is inclusive of Ms. Pavit Nibber's shareholding and the Sale Shares.

b. Persons acting in Concert (PACs)

Details	PAC 1	PAC 2	Total
Name of PACs	Mrs. Rishi Mangat	Mr. Gurkaran Singh Nibber	-
Address of the PACs	1021, Phase IV, SAS Nagar, Mohali 160 059, Punjab, India.	1021, Phase IV, SAS Nagar, Mohali 160 059, Punjab, India.	-
Name(s) of persons in control/promoters of PACs where PAC are companies	Not Applicable	Not Applicable	-
Name of the Group, if any, to which the PAC belongs to	Not Applicable	Not Applicable	-
Pre Transaction shareholding			
Number of Equity Shares	0	0	0
% of total share capital and total voting capital*	0.00%	0.00%	0.00%
Proposed shareholding after the acquisition of equity shares which triggered the Open Offer			
Number of Equity Shares	65,040	2,31,158	2,96,198
% of total share capital and total voting capital*	0.46%	1.63%	2.08%
Any other interest in the Target Company	To the extent of shareholding and management control	To the extent of shareholding and management control	-

*As a percentage of the Diluted Share & Voting Capital.

5. Details of Selling Shareholders:

Name of the Promoter/Seller	Part of the Promoter / Promoter Group (Yes / No)	Name of the Acquirer	Details of shares / voting rights held by the selling shareholder			
			Pre-Transaction*		Post-Transaction*	
			Number	%	Number	%
Mr. Harish Gangaram Agarwal	Yes	Mr. Harpreet Singh Nibber (Acquirer 3)	83,200	0.59%	0	0
Total		-	83,200	0.59%	0	0

*As a percentage of the Diluted Share & Voting Capital.

6. Target Company

- 6.1. **Name:** Shivkrupa Machineries and Engineering Services Limited which was formerly known as Hariganga Machineries and Engineering Services Limited.
- 6.2. **CIN of the Target Company:** L45208MH1980PLC022506
- 6.3. **Registered Office:** The registered office of the Target Company is situated Old Motor Stand, Itwari, Nagpur 440 008, Maharashtra, India.
- 6.4. **Corporate Office:** The corporate office of the Target Company is situated at F-24, First Floor, Raghuleela Mega Mall, Behind Poinsur Depot, Kandivali (West), Mumbai 400 067, Maharashtra, India.
- 6.5. **Exchange where equity shares of the Target Company is listed:** The Equity Shares of the Target Company are listed on BSE Limited (“BSE”), Mumbai, Maharashtra with Security Code and Security ID as “539359” and “SHIVKRUPA” respectively. The Equity Shares of the Target Company are frequently traded on BSE in terms of the Regulation 2(1)(j) of the Takeover Regulations. Further, the Equity Shares of the Target Company are also listed on Calcutta Stock Exchange Limited (“CSE”), Kolkata (Company Code: 18096) where no trading has been recorded in the last five years.

7. Other details

- 7.1. If the Equity Shares are allotted to the Acquirers and the PACs under the Preferential Issue during the Offer Period, the said Equity Shares will be kept separately in an Escrow Demat Account to be opened with the Registrar to the Offer.
- 7.2. The Offer Price is subject to change upward if the “Allotment Price” under the proposed Preferential Issue would found higher than the Offer Price.
- 7.3. The PA is made in compliance with Regulation 13(1) of the Takeover Regulations.
- 7.4. The details of the Offer would be published in the newspapers vide a Detailed Public Statement (“DPS”) on or before February 2, 2017 in compliance with Regulation 13(4) of the Takeover Regulations.
- 7.5. The Acquirers and the PACs are aware of and will comply with the obligations under the Takeover Regulations and have adequate financial resources to meet the Offer obligations.
- 7.6. The Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the Takeover Regulations and is not a competitive bid in terms of Regulation 20 of the Takeover Regulations.

Issued by Manager to the Offer on behalf of the Acquirers and PACs

 <p>SYSTEMATIX GROUP Investments Re-defined</p>	<p>Systematix Corporate Services Limited SEBI Registration No. INM 000004224 The Capital, A-Wing, 6th Floor, No. 603-606, Plot No. C-70, G-Block, Bandra-Kurla Complex (BKC), Bandra (East), Mumbai 400 051, Maharashtra, India. Telephone +91-22-6704 8000; Facsimile +91-22-6704 8022 Email: investor@systematixgroup.in; Website: www.systematixgroup.in Contact Person: Mr. Amit Kumar</p>
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For and on behalf of the Acquirers and PACs:

Harpreet Singh Nibber

(Authorised Signatory for Acquirer 1 and the Constituted Attorney on behalf of Acquirer 2 and the PACs)

Place: Mumbai.

Date: January 25, 2017.