

# PREMIUM MERCHANTS LIMITED

Corporate Identification Number (CIN): L51909DL1985PLC021077

Registered Office: 3<sup>rd</sup> Floor, Omaxe Square, Plot No.14, Jasola District Centre, Jasola,  
New Delhi-110025, Delhi, India;

Tel. No.: +91 11 6111 9371 / +91 11 6111 9661;

Email id: premiummerchants123@gmail.com; Website: www.pmltd.in

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19<sup>th</sup> April, 2024

To

**Metropolitan Stock Exchange of India Limited,**  
205(A), 2<sup>nd</sup> Floor, Piramal Agastya Corporate Park,  
Kamani Junction, LBS Road,  
Kurla (West), Mumbai-400070.

**Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

This is to inform you that we are in receipt of an Initial Public Announcement dated 19<sup>th</sup> April 2024 received from Saffron Capital Advisors Private Limited, the Manager to the proposed Delisting Offer, for and on behalf of the Promoter, K K Modi Investment and Financial Services Private Limited ("**Promoter**" or "**Acquirer**") of Premium Merchants Limited, in terms of Regulation 8 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("**Delisting Regulations**"), expressing the intention of the Acquirer to voluntarily delist the Equity Shares from Metropolitan Stock Exchange of India Limited ("**MSEI**"), the only stock exchange where the Equity Shares are presently listed, by making a delisting offer in accordance with the Delisting Regulations ("**Delisting Proposal**").

Request you to kindly acknowledge the receipt and take note of the same.

Thanking you,  
Yours Faithfully,

**For Premium Merchants Limited**



**Babita Gupta**  
Director  
DIN:07135430



April 19, 2024

To  
The Board of Directors,  
**Premium Merchants Limited,**  
3<sup>rd</sup> Floor, Omaxe Square,  
Plot No.14, Jasola District Centre,  
Jasola, New Delhi, Delhi - 110 025

Dear Sir/Madam,

**Sub: Initial Public Announcement under Regulation 8 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("SEBI Delisting Regulations, 2021") expressing the intention to delist the Equity Shares of Premium Merchants Limited ("Company")**

K K Modi Investment and Financial Services Private Limited ("Promoter" or "Acquirer"), the sole Promoter of Premium Merchants Limited ("Company") has expressed its intention to (a) acquire all the equity shares of a face value of ₹ 10/- (Rupees Ten only) of the Company ("Equity Shares"), that are held by Public Shareholders; and (b) consequently voluntarily delist the Equity Shares of the Company from Metropolitan Stock Exchange of India Limited ("MSE"), the only stock exchange where the Equity Shares of the Company are presently listed, by making a delisting offer in accordance with the SEBI Delisting Regulations, 2021 ("Delisting Proposal").

With regards to the Delisting Proposal, we, Saffron Capital Advisors Private Limited, are acting as the Manager to the Offer pursuant to and in accordance with Regulation 9 of the SEBI Delisting Regulations, 2021.

As required under Regulation 8(1) of the SEBI Delisting Regulations, 2021, we are enclosing herewith the copy of the Initial Public Announcement dated April 19, 2024, in relation to the Delisting Proposal ("Initial Public Announcement" or "IPA").

We request you to kindly disseminate the IPA on your website at the earliest.

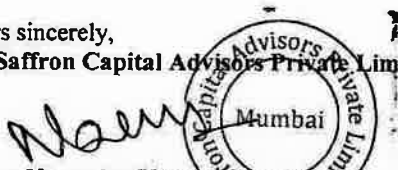
Capitalized terms used in this letter unless defined herein shall have the same meanings as ascribed to them in the enclosed Initial Public Announcement.

In case of any further information or clarification required, please contact the person as mentioned below:

Contact Person	Designation	Telephone	E-mail Id
Narendra Kumar Gamini	Assistant Vice President	+91-22-49730394	narendra@saffronadvisor.com
Yashi Srivastava	Assistant Manager		yashi@saffronadvisor.com

Thanking You,

Yours sincerely,  
For Saffron Capital Advisors Private Limited



Name: Narendra Kumar Gamini  
Designation: Assistant Vice President  
Equity Capital Markets

Encl: As Above

INITIAL PUBLIC ANNOUNCEMENT UNDER REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021, AS AMENDED, (HEREINAFTER REFERRED TO AS THE "DELISTING REGULATIONS") FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF

## PREMIUM MERCHANTS LIMITED

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DELISTING OFFER FOR ACQUISITION OF 2,78,000 (TWO LAKH SEVENTY EIGHT THOUSAND) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES"), REPRESENTING 27.86% OF THE PAID-UP EQUITY SHARE CAPITAL (AS DEFINED BELOW), OF PREMIUM MERCHANTS LIMITED ("COMPANY") BY K K MODI INVESTMENT AND FINANCIAL SERVICES PRIVATE LIMITED ("ACQUIRER" OR "PROMOTER") FROM THE PUBLIC SHAREHOLDERS (AS DEFINED BELOW) OF THE COMPANY PURSUANT TO AND IN COMPLIANCE WITH REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2021, AS AMENDED, (HEREINAFTER REFERRED TO AS THE "DELISTING REGULATIONS").

This Initial Public Announcement ("Initial Public Announcement") is being issued by Saffron Capital Advisors Private Limited ("Manager" or "Manager to the Offer") for and on behalf of the Acquirer to the Public Shareholders (*as defined below*) expressing the Acquirer's intention to: (a) acquire all the Equity Shares (*as defined below*) that are held by Public Shareholders; and (b) consequently voluntarily delist the Equity Shares from the only stock exchange where Equity Shares are presently listed i.e., Metropolitan Stock Exchange of India Limited ("MSE" or "Stock Exchange"), by making a Delisting Offer in accordance with the Delisting Regulations (*as defined below*) ("Delisting Proposal").

For the purpose of this Initial Public Announcement, the following terms have the meanings assigned to them below:

- a) "Company" shall mean Premium Merchants Limited.
- b) "Board" shall mean the Board of Directors of the Company;
- c) "Delisting Regulations" shall mean the SEBI (Delisting of Equity Shares) Regulations, 2021, as amended;
- d) "Equity Shares" shall mean fully paid-up equity shares of the Company, each having the face value of ₹ 10/- (Rupees Ten only).
- e) "Paid-up Equity Share Capital" means paid up Equity Share Capital of the Company i.e., ₹ 99,80,000 divided into 9,98,000 Equity Shares each.
- f) "Public Shareholders" shall mean the public shareholders of the Company as defined under Regulation 2(1)(t) of the Delisting Regulations;
- g) "SEBI" shall mean the Securities and Exchange Board of India.



- h) "**Stock Exchange**" shall mean the stock exchange where the Equity Shares of the Company are presently listed i.e., Metropolitan Stock Exchange of India Limited (MSE).

### **1. Details of the Delisting Proposal:**

- a) As on date, the Acquirer, who is the sole Promoter of the Company, holds 7,20,000 (Seven Lakh Twenty Thousand) Equity Shares, representing 72.14% of the paid-up equity share capital of the Company. The Acquirer intends to voluntarily delist the Equity Shares of the Company from the MSE, by acquiring the 2,78,000 (Two Lakh Seventy Eight Thousand) Equity Shares representing 27.86% of the paid-up equity share capital of the Company from the Public Shareholders by making a delisting offer ("**Delisting Proposal**") in accordance with the Delisting Regulations.
- b) In view of the above, as required under Regulation 8 of the Delisting Regulations, this Initial Public Announcement is being made by the Manager to the Delisting Offer for and on behalf of the Acquirer to express the Acquirer's intention to initiate the process to undertake the Delisting Proposal.

### **2. Rationale for the Delisting Proposal:**

In terms of Regulation 8(3)(a) of the Delisting Regulations, the rationale for the Delisting Proposal is as follows:

- a. The main objective of the Delisting Proposal is to obtain full ownership of the Company by the Promoter which will in turn provide increased financial flexibility to support the Company's business and financial needs, including but not limited to exploring new financing structures including financial support from the Promoter;
- b. The Delisting Proposal will provide the Public Shareholders an opportunity to realize immediate and certain value for their Equity Shares at a time of elevated market volatility: and
- c. The Delisting Proposal will help in cost savings and allow the management to dedicate more time and focus on the Company's business as reduction in time and requirement of resources dedicated to listing compliances; The Delisting Proposal will result in reduction of the on-going substantial compliance costs which includes the costs associated with listing of Equity Shares such as annual listing fees and fees payable to share transfer agents or such other expenses required to be incurred as per the applicable securities law.

### **3. Undertakings/ Confirmations:**

In terms of Regulation 8(3)(b) of the Delisting Regulations, the Acquirer hereby undertakes and confirms that:

- a. It has not sold the Equity Shares during the period of 6 (six) months prior to the date of this Initial Public Announcement; and
- b. It will not directly or indirectly, in connection with proposed delisting:
- employ any device, scheme or artifice to defraud any shareholder or other person; or



- ii. engage in any transaction or practice that operates as a fraud or deceit upon any shareholder or other person; or
- iii. engage in any act or practice that is fraudulent, deceptive or manipulative.

#### **4. Price/ Consideration:**

- a. The discovered price will be determined through the reverse book building process specified in Schedule II of the Delisting Regulations, after fixation of the floor price which will be determined in terms of Regulation 20(2) and 20(3) of the Delisting Regulations read with Regulation 8 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. We will separately inform the floor price determined in accordance with the aforesaid provisions, in due course.
- b. In terms of the Delisting Regulations, the discovered price will be determined as the price at which shares are accepted through eligible bids, that takes the shareholding of the Acquirer to 90% of the total issued shares excluding the shares which are held by following:
  - i. custodian(s) holding shares against which depository receipts have been issued overseas;
  - ii. a trust set up for implementing an employee benefit scheme under the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended or SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended; and
  - iii. inactive shareholders such as vanishing companies, struck off companies, shares transferred to Investor Education and Protection Fund account and shares held in terms of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
- c. The Acquirer shall have the sole discretion to accept or reject the discovered price or make a counter-offer in accordance with Delisting Regulations.

#### **5. Conditions for Delisting Proposal:**

The acquisition of Equity Shares by the Acquirer from the Public Shareholders will be conditional upon the following:

- a. completion of Due Diligence by a Peer Reviewed Company Secretary as required under Regulation 10 (2) and 10(3) of Delisting Regulations;
- b. the Board approving the Delisting Proposal in accordance with Regulation 10 of the Delisting Regulations;
- c. the approval of the shareholders of the Company by way of a special resolution in accordance with the Regulation 11 of the Delisting Regulations and other applicable law wherein the number of votes cast by the Public Shareholders in favour of the Delisting Proposal is at least two times the number of votes cast by the Public Shareholders against it;
- d. receipt of the approval of the Stock Exchange in accordance with the Delisting Regulations and/ or any other statutory/ regulatory approvals and third-party consents, as may be required, in relation to the Delisting Proposal;
- e. the acceptance by the Acquirer of the discovered price determined by the reverse book building process in accordance with the Delisting Regulations including other rights and obligations in terms of the Delisting Regulations or in case the discovered price is not acceptable to the Acquirer, a counter-offer may be made by the Acquirer.



to the Public Shareholders within 2 (Two) working days of the closure of the bidding period;

- f. the number of Equity Shares being validly tendered in the Delisting Offer/counter-offer, if any, is sufficient enough to result the Delisting Offer being successful in accordance with the Delisting Regulations; and
- g. such other terms and conditions as may be set out in the Detailed Public Announcement or the Letter of Offer to be made/ dispatched to the Public Shareholders or any addendum or corrigendum thereto, that are proposed to be issued in accordance with the Delisting Regulations.

#### 6. Other Details:

- a. The Acquirer hereby confirm that it has made firm financial arrangements for fulfilling the payment obligations under the Delisting Offer and it is able to implement the Delisting Offer, subject to any statutory approvals for the Delisting Offer that may be necessary.
- b. The Acquirer accepts full responsibility for the information contained in this Initial Public Announcement and confirms that such information is true, fair and adequate in all material aspects. The Acquirer is aware of and will comply with the obligations under the Delisting Regulations.
- c. All the information pertaining to the Company contained in this Initial Public Announcement has been obtained from publicly available sources, and the accuracy thereof has not been independently verified by the Manager.

#### Issued by Manager to the Offer:

**SAFFRON**

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#### SAFFRON CAPITAL ADVISORS PRIVATE LIMITED

605, 6<sup>th</sup> Floor, Center Point, Andheri Kurla Road, J. B. Nagar,  
Andheri (East), Mumbai - 400 059, Maharashtra, India.

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E-mail: delistings@saffronadvisor.com

Website: www.saffronadvisor.com

Investor grievance: investorgrievance@saffronadvisor.com

Contact Person: Mr. Narendra Kumar Gamini / Ms. Yashi Srivastava

SEBI Registration Number: INM000011211

Validity of Registration: Permanent

For and on behalf of K K Modi Investment and Financial Services Private Limited  
("Acquirer")

*Jyoti Bharti*

**Jyoti Bharti**  
Company Secretary

Place: New Delhi

Date: April 19, 2024

