



PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF SPENTA INTERNATIONAL LIMITED

Registered Office: Plot No. 13 to 16, 40 (PART) & 40/2, Dewan Industrial Estate, Village Navali, District Thane, Palghar (West) - 401 404, Maharashtra, India; Tel. No.: +91 2525 254932; Fax No.: +91 2525 254932 Extn. 113; Email: danny.hansotia@spentasocks.com; Website: www.spentasocks.com; Contact Person: Danny Hansotia, Managing Director & CFO. Company Identification Number: L28129MH1986PLC040482.

This Public Announcement is being made pursuant to the provisions of Regulation 8 (1) of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended and contains the disclosures as specified in Part A of Schedule II to these Regulations.

OFFER FOR BUYBACK OF UP TO 777,975 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF Rs. 10 EACH AT A PRICE OF Rs. 32 PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS.

1. DETAILS OF THE BUYBACK OFFER AND OFFER PRICE

- Pursuant to the resolution passed by the Board of Directors of Spenta International Limited ("SIL" or "the Company") on November 05, 2014, recommended the proposal for buy back of equity shares of face value of Rs. 10 each ("Shares" or "Equity Shares") of the Company and sought approval of the equity shareholders of the Company, by a special resolution, through postal ballot notice dated November 05, 2014 ("Postal Ballot Notice"), the result of which was announced on December 22, 2014. By way of the said special resolution passed through postal ballot, the equity shareholders of the Company have approved the buy back of up to 777975 fully paid-up Equity Shares from the existing shareholders / beneficial owners of Equity Shares of the Company, on a proportionate basis, through the tender offer process, in accordance with the provisions contained in the Article 13 of the Articles of Association of the Company, sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the provisions contained in the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 as amended from time to time (the "Buyback Regulations") subject to approval(s) as may be necessary, from time to time from statutory authorities including but not limited to Securities and Exchange Board of India ("SEBI"), Stock Exchanges, Reserve Bank of India, etc. at a price of Rs. 32 per Equity Share ("Buyback Price") payable in cash, for an aggregate maximum amount of upto Rs. 24,895,200 (Rupees Two Crores Forty Eight Lacs Ninety Five Thousand and Two Hundred only) ("Buyback Size"). The Buyback Size represents 12.58% of the aggregate of Company's paid-up Equity Share Capital and Free Reserves as on September 30, 2014 which stands at Rs. 197,968,227.
- The maximum amount required by the Company for the said Buyback aggregating to 24,895,200 (Rupees Two Crores Forty Eight Lacs Ninety Five Thousand and Two Hundred only) will be met out of the free reserves and / or cash balances and / or internal accruals of the Company. The maximum amount utilized for the Buyback will not exceed 25% of the paid up Equity Share capital and Free Reserves of the Company as on September 30, 2014. The Company proposes to buy back a maximum of 777975 (Seven Lacs Seventy Seven Thousand Nine Hundred Seventy Five) fully paid-up Equity Shares of face value Rs. 10 each, in the proposed buyback through tender offer. Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity share capital of the company in that financial year. The Company proposes to Buyback up to 777975 (Seven Lacs Seventy Seven Thousand Nine Hundred Seventy Five) Equity Shares representing 25% of the total paid up equity share capital of the Company and the same shall not exceed 25% limit.
- The Buyback price of Rs. 32 per Equity Share has been arrived at after considering the prevailing stock market conditions, stock performance over the last six months preceding the date on which notice to Stock Exchanges for considering the board meeting for buyback was given, i.e. October 21, 2014, and the possible impact of the Buyback on the Earnings Per Share ("EPS") and financial ratios of the Company and other relevant considerations.
- The Buyback Price per Equity Share represents a premium of 52% over the average closing prices of the Company's Equity Shares on BSE for six months preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback and 5.48% over the average closing prices of the Company's equity shares on BSE for a period of two weeks preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback. The closing market price of the Equity Shares as on the date of intimation of the date of the Board meeting for considering the Buyback, being October 21, 2014 was Rs. 27.40. The Buyback Price amount to a discount of about 49.70% of the book value per Equity Share of the Company, which pre-Buyback, as on September 30, 2014, is Rs. 63.62. The earnings per Equity Share of the Company pre-Buyback for the six months period ended September 30, 2014 (not annualized) is Rs. 2.83 which will increase to Rs. 3.78 post Buyback assuming full acceptance of the Buyback. The return on net worth of the Company pre Buyback for the six months period ended September 30, 2014 (not annualized) is 4.46% which will increase to 5.10% post Buyback assuming full acceptance of the Buyback.

1.5 NECESSITY FOR BUY BACK

The Board of Directors of the Company is of the view that the proposed Buyback will help the Company achieve the following objectives:

- Optimize returns to shareholders; and
- Enhance overall shareholders value.

The proposed objectives will be achieved by returning part of surplus cash back to shareholders through the Buyback process. This may lead to reduction in outstanding Shares, improvement in EPS and enhanced return on invested capital. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.

2. DETAILS OF PROMOTER SHAREHOLDING

The particulars of the Equity Shares of the Company held by the Promoters and Promoter Group and the Persons who are in control of the Company, as on the date of the Postal Ballot Notice, i.e. November 05, 2014 is given below:

Sr. No.	Name of the Promoter and Promoter Group	Number of Equity Shares Held
1.	Danny Hansotia	7,30,277
2.	Sanjay Gadodia	4,86,769
3.	Firoze Hansotia	1,18,000
4.	Sandeep Gadodia	1,64,307
5.	Sulochana Gadodia	1,03,500
6.	Rita Gadodia	46000
7.	Amy Hansotia	13000
8.	Viraf Hansotia	2600
9.	Juvenile Trading Pvt Ltd	1600
	Total	16,66,053

Source: BENPOS received from Registrar to the Buyback Offer

- The Promoter and Promoter Group Members have vide their letter dated December 12, 2014 communicated their intention not to participate in the Buyback
- The Promoters or Persons who are in control of the Company have vide their letter dated December 12, 2014 confirmed that they have not purchased or sold Equity Shares of the Company during six months preceding November 05, 2014, being the date of Board Meeting and date of Postal Ballot Notice.
- The proposed Buyback will be implemented from the existing shareholders, other than those who are Promoters, Promoter Group and Persons Acting in concert (such shareholders herein after collectively referred to as "Persons in Control") and will include such persons as have been disclosed under the filings made by the Company from time to time under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, ("SEBI Takeover Regulations"). None of the Persons in Control of the Company intends to tender their Shares in the proposed Buyback. Further, they have vide their letter dated December 12, 2014 confirmed that they will not transact in the Shares of the Company during the period of the Buyback.
- Pursuant to the proposed Buyback of Equity Shares and depending on the response to the Buyback Offer, the voting rights of the Promoter and Promoter Group in the Company may increase from 53.54% of the total voting rights of the Company to a maximum of 71.38% (assuming that the entire size of the Buyback Offer is accepted). The Promoter and Promoter Group of the Company are already in control over the Company and therefore such further increase in voting rights of the Promoter and Promoter Group will not result in any change in control over the Company. Further, the Promoter and Promoter Group have vide letter dated December 22, 2014 confirmed that they have not voted in favour of the Board Resolution and Shareholders Resolution authorizing the Buyback under sections 68, 69 and 70 of the Act. Therefore, in terms of regulation 10(4) (c) of the SEBI Takeover Regulations, despite the increase in voting rights of the Promoter and Promoter Group from 53.54% to 71.38%, the Promoter and Promoter Group are exempted from an obligation to make an open offer under the SEBI Takeover Regulations.
- Further, the Promoters who are Directors of the Company, in their capacity as Directors, had abstained from voting on the resolution at the Board of Directors meeting held on November 05, 2014, where the proposal for Buyback was passed. Moreover, such increase in voting rights of the Promoter and Promoter Group will be consequential and indirect in nature and the resultant voting rights of the Promoter and Promoter Group after the Buyback Offer shall be within the limit of permissible maximum non-public shareholding in the Company as prescribed under clause 40A of the Listing Agreement entered into with the Stock Exchanges read with the Securities Contracts (Regulations) Rules, 1957.
- The Promoter and Promoter Group undertake and confirm that they shall also comply with regulation 10(6) & 10(7) of the SEBI Takeover Regulations as per the timelines stipulated therein
- The Board of Directors of the Company have confirmed that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
- The Board of Directors of the Company have confirmed that based on such full inquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act, the Board of Directors has formed an opinion that:
 - Immediately following the date of the Board meeting held on November 05, 2014, there are no grounds on which the Company can be found unable to pay its debts;
 - As regards the Company's prospects for the year immediately following the date of the Board meeting held on November 05, 2014, and having regard to the Board's intention with respect to the Management of Company's business during that year, and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and
 - Confirm that in forming an opinion as aforesaid, the Board of Directors have taken in to account the liabilities, as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities).
- The text of the report dated November 05, 2014 received from M/s A. R. Parikh & Co., Chartered Accountants, the statutory auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

Quote

We have been informed that the Board of Directors of the Company in their meeting held on November 05, 2014 have decided to Buy-back Company's shares as allowed under Section 68 of the Companies Act, 2013 at a price of Rs. 32 per share. In terms of the requirements of Clause (xi) of Schedule II, Part A of the Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998, we confirm as under:

- We have inquired into the state of affairs of the Company in relation to its audited accounts for the year ended March 31, 2014, and six months ended September 30, 2014, as approved by the Board of Directors in the meeting held on May 29, 2014 and November 05, 2014 respectively;
- The amount of permissible capital payment towards buy-back of equity shares (including premium) in question as ascertained below in our view has been properly determined in accordance with Section 68 and all other applicable provisions, if any, of the Companies Act, 2013 as amended to the extent notified:

Particulars	Amount (Rs. in Lacs)
Paid up Share Capital as on September 30, 2014	311.19
Free reserves as on September 30, 2014	1,668.50
Total	1,979.69
Maximum amount permitted for Buy-back i.e. 25% of the total paid up capital and free reserves as on September 30, 2014	494.92

Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that the Board of Directors in their meeting held on November 05, 2014 have formed their opinion, as specified in clause (xi) of Part A of Schedule II of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, on reasonable grounds that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.

This report is issued at the specific request of the Company in pursuance of the Buyback Regulations in connection with the proposed buyback and not be used for any other purpose without our prior written consent.

For A.R. Parikh & Co. Chartered Accountants
Ameet R. Parikh
Proprietor
Membership No. 038188

Date: November 05, 2014
Place: Mumbai

Unquote

- The Buyback is open to all Equity Shareholders / beneficial owners of the Company holding Shares either in physical and/or electronic form except the Promoters, Promoter Group and/or Persons who are in control of the Company.
- The Buyback shall be implemented in the manner and following the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board of Directors (including the Committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- RECORD DATE AND SHAREHOLDER ENTITLEMENT**
 - The Company has fixed Friday, January 02, 2015 as the record date ("Record Date") for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the proposed Buyback Offer. The Shares proposed to be bought back by the Company, as part of this Buyback Offer shall be divided in two categories; (a) reserved category for small shareholders (Defined as a shareholder of a listed company, who holds Shares or other specified securities whose market value, on the basis of closing price of Shares or other specified securities, on the recognized stock exchange in which highest trading volume in respect of such security, as on record date is not more than Rs. 2,00,000 (Rupees Two lakhs) and (b) the general category for other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.
 - In accordance with Regulation 6 of the Buy-Back Regulations, Fifteen percent of the number of securities which the Company proposes to Buyback or number of securities entitled as per their shareholding, whichever is higher, shall be reserved for small shareholders.
 - After accepting the Shares tendered on the basis of entitlement, Shares left to be bought back, if any in one category shall first be accepted, in proportion to the Shares tendered over and above their entitlement in the Buyback Offer by shareholders in that category, and thereafter from shareholders who have tendered over and above their entitlement in other category.
 - The maximum tender under the Buyback by any Equity Shareholder of the Company cannot exceed the number of Equity Shares held by such Equity Shareholder of the Company as on the Record Date.
 - Detailed instructions for participation in the Buyback (tendering of Equity Shares in the Buyback) as well as the relevant time table will be included in the letter of offer which will be sent in due course to the Equity Shareholders of the Company as on the Record Date.
- COMPLIANCE OFFICER**
Danny Hansotia, Managing Director & CFO
Spenta International Limited
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Email: danny.hansotia@spentasocks.com
Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 11 am to 5 pm, on all working days except Saturday, Sunday and Public holidays.
- INVESTOR SERVICE CENTRE**
In case of any query, the shareholders may contact the Registrar & Transfer Agent on any day except Saturday, Sunday and Public holidays between 10.30 AM and 4.30 PM at the following address:

LINK INTIME
INDIA PVT LTD



(Formerly INTIME SPECTRUM REGISTRY LTD)

LINK INTIME INDIA PRIVATE LIMITED
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Tel No.: +91 22 6171 5400; Fax No.: +91 22 2596 0329
Email: spenta.buyback@linkintime.co.in
Website: www.linkintime.co.in
Investor Grievance Id: spenta.buyback@linkintime.co.in
SEBI Registration Number: INR000004058
Contact Person: Mr. Ganesh Mhatre

15. MANAGER TO THE BUYBACK



energising ideas

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SEBI Registration Number: INM000011211
Contact Person: Amit Wagle/Anup Varpe

16. DIRECTORS RESPONSIBILITY

As per Regulation 19(1)(a) of the Buyback Regulations, the Board of Directors of the Company accept full and final responsibility for the information contained in this Public Announcement.

For and on behalf of the Board of Directors of
SPENTA INTERNATIONAL LIMITED

Sd/-
Place: Mumbai
Date : December 23, 2014

Sd/-
Sanjay Gadodia
Chairman & CEO
Danny Hansotia
Managing Director & CFO