

PARAGON FINANCE LIMITED

(CIN: L65921WB1986PLC040980)

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This announcement is for the withdrawal of the Open Offer (“**Withdrawal Announcement**”) being issued by Mark Corporate Advisors Private Limited, the Manager to the Offer (“**Manager**”), for and on behalf of Apple Equifin Private Limited (“**Apple**”/“**Acquirer**”), GKML Software Technologies Private Limited (“**GKML**”/“**PAC 1**”) and Sunkesula Infra LLP (“**Sunkesula**”/“**PAC 2**”). (“**PAC 1**” and “**PAC 2**” hereinafter collectively referred to as “**PACs**”) in respect of Open Offer to the Public Shareholders of Paragon Finance Limited (“**Paragon**”/“**Target Company**”) pursuant to and in compliance with Regulation 23(2)(a) of the (“**SEBI (SAST) Regulations, 2011**”/“**Regulations**”). This Withdrawal Announcement is to be read with respect to:

- 1) The Public Announcement (“**PA**”) dated July 25, 2024, filed with SEBI, BSE Limited, Mumbai (“**BSE**”) and the Target Company (“**TC**”) on July 25, 2024 through e-mail and the hard copy of the same was submitted to SEBI on July 29, 2024.
- 2) The Detailed Public Statement (“**DPS**”) published on August 01, 2024 in Business Standard (English-All Editions), Business Standard (Hindi-All Editions), Mumbai Lakshadeep (Marathi-Mumbai Edition) and Aaj Kal (Bengali-Kolkata Edition). A copy of the same was filed through the Manager to the Offer with SEBI, BSE and the Target Company through e-mail on August 01, 2024. The hard copy of the same was submitted to SEBI on August 01, 2024; and
- 3) The Draft Letter of Offer (“**DLoF**”) dated August 08, 2024 filed with SEBI, BSE and the Target Company on the same date.

All capitalized terms not defined in this Withdrawal Announcement, unless otherwise indicated, shall have the same meaning ascribed to them in the PA, DPS and the DLoF.

Withdrawal of the Open Offer:

- 1) The Acquirers had entered into a Share Purchase Agreement on July 25, 2024 (“**SPA**”) with the existing Promoter/ Promoter Group (“**Promoter Sellers**”/“**Selling Shareholders**”) of the Target Company for 21,87,630 Equity Shares representing 51.47% of the Voting Share Capital of the Target Company at a price of ₹60.00 per equity share. The details of the acquisitions through SPA are as under:

Sr. No.	Name and PAN	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre-Transaction		Post Transaction	
			No of Shares	% vis a vis total Share Capital	No of Shares	% vis a vis total Share Capital
1)	Mr. Sanjay Kumar Gupta ("Promoter Seller 1") PAN: ABBPG9970D	Yes	2,78,702	6.56%	Nil	N.A.
2)	Mrs. Shreya Gupta ("Promoter Seller 2") PAN: ADWPG8453G	Yes	3,71,277	8.74%	Nil	N.A.
3)	Shree Securities (Association of Persons ("AOP") represented by its member, Sanjay Kumar Gupta) ("Promoter Seller 3") PAN: AAMAS5837J	Yes	3,15,700	7.43%	Nil	N.A.
4)	Basera Abasan LLP ("Promoter Seller 4") PAN: AASFB9369D LLPIN: AAL-4369	Yes	3,40,577	8.01%	Nil	N.A.
5)	Mahant Vanijya Private Limited ("Promoter Seller 5") PAN: AACCM3148A CIN: U51109WB1995PTC071398	Yes	8,00,429	18.83%	4,81,855	11.34%
6)	Naman Barter Private Limited ("Promoter Seller 6") PAN: AAACN8749C CIN: U51909WB1995PTC071663	Yes	1,72,800	4.07%	50,000	1.18%
7)	Pragma Estates LLP ("Promoter Seller 7") PAN: AAVFP3037F LLPIN: AAL-4357	Yes	1,90,000	4.47%	Nil	N.A.
8)	Saharsh Estates LL ("Promoter Seller 8") PAN: ADQFS2655C LLPIN: AAM-3579	Yes	2,50,000	5.88%	Nil	N.A.
	Total		27,19,485	63.99%	5,31,855	12.51%

- 2) The Target Company is registered as a Non-Banking Finance Company with the Reserve Bank of India, Kolkata (“**RBI**”) vide Certificate of Registration bearing no. B.05.02104.
- 3) As the transactions contemplated under the SPA and the acquisition of shares under the Open offer would have resulted in the change in the shareholding of the Target Company in excess of 26.00% of the paid-up equity share capital of the Target Company as well the Acquirers/PACs intended to take over the management of the Target Company by inducting Directors in the Target Company, the approval of the Reserve Bank of India, Kolkata was required to be obtained by the Acquirer/PACs for the completion of the transaction.
- 4) Reserve Bank of India, Kolkata vide its letter dated January 03, 2025, has stated that change in management and control of the Target Company cannot be acceded to due to non-availability of liquid funds for making the proposed acquisition and other concerns. Subsequently, the Sellers rescinded the said SPA on March 06, 2025 and consequently the Acquirer/PACs are anticipating non-cooperation from the Target Company. Since adequate time elapsed from the letter of RBI, Kolkata, and there is likely to be non-cooperation from the Target Company, the Acquirer/PACs decided not to delay further in this matter and hence withdraw this Open Offer. As a consequence, in terms of Regulations 23(1)(a) of the SEBI (SAST) Regulations, the Open Offer stands withdrawn.
- 5) The necessary intimations to SEBI, BSE and Target Company, as contemplated under Regulation 23(2)(b) of the SAST Regulations is being made simultaneously with this Withdrawal Announcement.

Issued by the Manager to the Offer:



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SEBI Regn. No.: INM000012128

For and on behalf of the Acquirer and the PACs:

For Apple Equifin Private Limited ("Acquirer")	For GKML Software Technologies Private Limited ("PAC 1")	For Sunkesula Infra LLP ("PAC 2")
Sd/-	Sd/-	Sd/-
Sunil Ghanate Director	Sunil Ghanate Authorised Signatory	Sunil Ghanate Authorised Signatory