

**LETTER OF OFFER FOR RIGHTS ISSUE OF EQUITY SHARES
FOR MEMBERS ONLY**

KANARA CONSUMER PRODUCTS LIMITED

(formerly known as Kurlon Limited)

CIN U68100KA1962PLC001443

Registered Office : N-301, 3rd floor, North Block, Manipal Centre,
Dickenson Road, Bangalore 560 042; Website : www.kacpl.com

E-mail : secretary@manipal.com; Contact : 63606 92392

OFFER FOR **7,44,022** EQUITY SHARES OF RS. 10 EACH AT PAR AGGREGATING TO Rs.74,40,220/- ON RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF THE COMPANY IN THE RATIO OF 1 EQUITY SHARE FOR EVERY 19 EQUITY SHARES HELD BY THE ELIGIBLE SHAREHOLDER ON THE RECORD DATE i.e. **21.02.2025**.

Issue Open Date	27th February 2025
Issue Close Date	6th March 2025

HISTORY AND BACKGROUND OF THE COMPANY

Founded on 9th February 1962 under the name Karnataka Coir Products Limited, the name of the Company was changed to

- Karnataka Consumer Products Limited on 9th October 1980.
- Kurlon Limited on 2nd November 1995
- Kanara Consumer Products Limited on 14th June 2023

Kanara Consumer Products Limited now, was initially incorporated for the production and manufacture of mattresses and various other products from coir, also known as coconut fibre. The Company was established by **Late Shri. Ramesh T Pai**, a visionary, entrepreneur and a pioneer in designing and manufacture of products from coir. The Company was a pioneer in this sector for several years.

BUSINESS OF THE COMPANY

The Company exited from the mattress and related products business and has now ventured into the business as Developers, Builders, Operators of all kinds of immovable properties, acquire, sell, lease such land and buildings and erect warehouses/workshops/residences/roads/tramways/bridges upon such land acquired by the Company. Any kind of business expansion not only requires commercial spaces but also future-ready infrastructure. The construction activities will rise tremendously in the country in the coming years to fulfil the increasing demand for spaces and national infrastructure.

MANAGEMENT OF THE COMPANY

The general supervision, direction and control of business and affairs of the Company are vested with the Board of Directors.

Sl.No	Name of the Director	Designation	DIN
1	Mr.Sudhakar T Pai	Managing Director	00043298
2	Mrs.Jaya S Pai	Director	00030515
3	Mrs.Jyothi Ashish Pradhan	Director	06733156
4	Mrs.Deepa Pai Bhat	Director	02825199
5.	Mr.Kuthethoor Venugopal Shetty	Independent Director	00632775
6.	Mr.Santhosh Kamath	Independent Director	03268717

CAPITAL STRUCTURE OF THE COMPANY (AS ON 14.02.2025)

Authorized Share Capital 3,50,00,000 equity shares of face value of Rs.10/- each	Rs.35,00,00,000/-
Issued, Subscribed and Paid-up Share Capital 1,41,35,751 equity shares of face value of Rs.10/- each	Rs.14,13,57,510/-

PROMOTERS AND PROMOTER GROUP COMPANIES HOLDING OF EQUITY SHARES AND THEIR ENTITLEMENT

Name of the Promoter	No of shares held on 21.02.2025	Rights Issue entitlement to subscribe
MANIPAL HOLDINGS PRIVATE LIMITED	71,83,919.00	3,78,101.00
MAHA RASHTRA APEX CORPORATION LTD	56,93,020.00	2,99,633.00
GENERAL INVESTMENT AND COMMERCIAL CORPORATION LTD	4,85,000.00	25,526.00
JAI BHARATH MILLS PRIVATE LTD.	250	13
METROPOLIS BUILDERS PVT LTD	1,67,036.00	8,791.00
MANIPAL STOCK & SHARE BROKERS LTD.	350	18

COMMERCIAL CORPORATION OF INDIA LTD.	500	26
RAJMAHAL TRADE & INVESTMENTS PVT. LIMITED	501	26
MANIPAL HOME FINANCE LIMITED	32,350.00	1703
CCI LIMITED	524	28
MANGALA INVESTMENTS LIMITED	646	34
Total	1,35,64,096.00	7,13,899.00

FINANCIAL HIGHLIGHTS

Particulars	Year ended 31 st March 2024	Year ended 31 st March 2023
Revenue from operations	50.58	63.65
Other Income	6,689.28	2,800.61
Total Revenue	6,739.86	2,864.26
Less : Expense	1,748.41	1,989.24
Profit/(Loss) before extraordinary items and taxes	4,991.45	875.02
Less : Extraordinary items	(1,57,393.64)	15,047.31
Profit/(Loss) before tax	1,62,385.09	(14,172.11)
Less : Tax Expenses (Deferred tax)	36,618.92	382.52
Profit/Loss for the year (continuing and discontinued operations)	1,26,045.25	(14,829.32)

PRESENT OFFER

The present offer is for 7,44,022 (Seven lakhs forty four thousand twenty two only) equity shares of face value of Rs.10 each at par.

OBJECTS OF THE OFFER

The Company after sale of its core segment Kurlon is now diverging into new sector of Developers, Builders, Operators of all kinds of immovable properties, acquire, sell, lease such land and buildings and erect warehouses/workshops/residences/ roads/tramways/bridges upon land acquired by the Company.

For this, the Company need to infuse additional capital. In this connection, the Company has decided to approach the existing shareholders by offering shares in the form of Rights Issue.

ENTITLEMENT AND ALLOTMENT

Board of Directors of the Company passed a resolution at its meeting held on 16th January 2025 approving the aforesaid rights issue of 7,44,022 equity shares of RS.10/- each for cash at par on a rights basis to the existing equity shareholders of the Company in the ratio of 1 (one) fully paid equity share for every 19 equity shares held by the eligible equity shareholders. Shareholders holding less than 19 equity shares will be offered one equity share. Shareholders holding more than 19 equity shares will be offered the rights shares in proportion to the number of shares held by them by rounding off the fraction. These shares are being offered to those shareholders whose name appears in records of depositories as at the close of business hours as on 21st February 2025 being the 'Record Date' fixed by the Board of Directors in this regard and subject to further terms and conditions mentioned herein below. The issue shall remain open for a period of 7 days commencing from 27th February 2025 to 6th March 2025 till the close of the business hours.

As your name appears in the records on the aforesaid Record Date, you are therefore entitled for equity shares of Rs.10/- for cash at part under the Rights Offer in the ratio of 1 equity share for every 19 fully paid up equity shares held by you in the Company as on 21st February 2025.

Allotment of shares can be done only in the dematerialized form. So, all the shareholders are requested to share their DP ID and Demat Account Number in the application form.

If shareholders are still holding the shares in physical form, they may please open a Demat Account and share the details in the application.

The Company will not be responsible if the allotment of shares could not be made due to non availability of the Demat Account details.

RISK FACTOR

Any investment in equity shares involves a high degree risk. The applicant should carefully consider all the information in the Letter of Offer in evaluating the company's promoters, business financial performance etc. before making any investment decision in the equity shares of Kanara Consumer Products Limited, an unlisted Company. The applicant shall do it entirely on his own risk and responsibility and the Company/Promoters/Management shall not be liable for the same.

Instructions/Terms

1. This Rights Issue shall be called '**KCPL Rights Issue 2024-25**'.
2. The new equity shares offered shall carry the same rights as the existing equity shares and shall rank pari passu, in all respects, with the existing equity shares.
3. The Company's Registrars & Transfer Agents for its share registry, both physical and electronic is Purva Share Registry Private Limited, Unit no. 9 Shiv Shakti Ind. Estt. J R Boricha Marg, Lower Parel (E), Mumbai 400 011, emailid support@purvashare.com contact number: 022-4970 0138 / 3522 0312.
4. The ISIN of equity shares of the Company is INE781F01032.
5. Following option may be exercised with regard to the Rights Equity shares offered using the enclosed CAF (Composite Application Form).

Sl.No.	Option Available	Action Required
1	Apply for Rights Entitlement in full	Fill in and sign PART A (all joint holders must sign)
2	Apply for rights entitlement in part – renouncing the other part	Fill in and sign Part A (all joint holders must sign) to the extent of part application. Fill in and sign Part B (all joint holders must sign) indicating the number of equity shares renounced.
3	Renounce entire rights entitlement to one or more renounces. Renounee may also apply for additional shares	Fill in and sign Part B (all joint holders must sign) indicating the number of Rights Equity shares renounced and hand it over to the Renounee. The Renounee must fill in and sign Part C (all joint Renounees must sign) In case the rights is renounced in favour of more than one renounee, Part B

		and Part C of the CAF may be provided in as many copies as required.
4	Apply for rights entitlement in part and renounce the other part. Renounee may also apply for additional shares	<p>Fill in and sign Part A (all joint holders must sign) to the extent of part application.</p> <p>Fill in and sign Part B (all joint holders must sign) indicating the number of Rights Equity shares renounced and hand it over to the Renounee. The Renounee must fill in and sign Part C (all joint Renounees must sign).</p> <p>In case the rights is renounced in favour of more than one renounce, Part B and Part C of the CAF may be provided in as many copies as required.</p>

6. Where any shareholder does not receive the original letter of offer/application forms in time, he may download the same from our website www.kacpl.com
7. Shares cannot be renounced in favour of a partnership firm, minor, HUF, trust, societies. Joint Holders shall be restricted to three persons only.
8. Basis of allotment shall be finalized by the Board of Directors in the following order of priority.

(a). Full allotment to the shareholders/renounees who have applied for their rights entitlement either in full or in part.

(b). In case of surplus shares available, allotment to the original shareholders who have applied for additional shares provided that they have applied for all the shares offered to them. In case of oversubscription, the allotment would be made in the ratio of the original holding of the applicant as on the record date.

(c). Allotment to any other person as the Board may in their absolute discretion, deem fit, provided there is surplus available after allotment under above in a manner a permitted by law.

(d) In case issue is under-subscribed, the Board of Directors, may offer and dispose the under-subscribed portion to such persons on such terms and in such manner, as it may deem fit in its absolute discretion which is not disadvantageous to the shareholders and the Company. Further, if for any reason, the Board of Directors is not able to dispose of the shares as mentioned above, the rights issue shall be deemed to have been subscribed to the extent of the subscription money received by the Company.

9. Application should be made on the printed form enclosed herewith.

10. Full amount i.e. Rs.10 per share is payable with application.

11. Share application money may also be credited to the following bank account of the Company through electronic mode

- a. Name of the Account Holder : KCPL – RIGHTS ISSUE ACCOUNT
- b. Bank and Branch : HDFC Bank, SURATHKAL BRANCH
- c. Account No. : 99900102202526
- d. IFSC Code : HDFC0004687

13. Refund, if any, shall be made within 15 days from the closure of the issue, without any interest.

14. Duly filled in application form with payment details for accepting the offer/renouncement shall reach the registered office address of the Company situated at

Kanara Consumer Products Limited
N-301, 3rd floor, North Block, Manipal Centre,
Dickenson Road, Bangalore 560 042

Or

Purva Share Registry Private Limited,
Unit no. 9 Shiv Shakti Ind. Estt. J R Boricha Marg,
Lower Parel (E), Mumbai 400 011,
Contact Number 022-4970 0138 / 3522 0312.

on or before 7th March 2025 latest by 5 p.m. either by hand delivery or registered post/speed post/courier. The Company will not be responsible for any postal delay.

15. In case your application form complete in all respect is not received on or before 5 p.m. on 7th March 2025, your right to apply/renounce the equity shares shall be deemed to be waived and the Board will have absolute power to dispose of such shares in the best interest of the Company.

16. Applicants Demat Account Details i.e. DP ID and the Demat Account Number should be provided alongwith the Application Form.

17. Applicants PAN copy must be provided alongwith the application. Application without this will be considered incomplete and is liable to be rejected.

18. In case of application under power of attorney or by a body corporate, a certified true copy of the relevant resolution to make the investment under this offer and sign the application is provided alongwith the application.

19. The form must be filled in English and an incomplete form is liable to be rejected and money paid in respect thereof will be refunded without interest. Application may be rejected on the following grounds :

- a. If application is not signed by all the shareholders/renounces
- b. If additional shares applied and part renounce then additional shares will be rejected
- c. Applied by shareholder and also renounce full then application applied by shareholder will be rejected
- d. If valid and active DPID-Client ID not mentioned
- e. Copy of the PAN not enclosed
- f. Payment not received in the bank
- g. shareholder name not mentioned in the renounce form and shares applied by the renounce.

20. The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

21. Investor may contact the following officer of the Company for any complaint/clarification/information pertaining to the issue.

Name of the Contact Person : Susheela
Designation: Company Secretary
Email id : secretary@manipal.com

**For KANARA CONSUMER PRODUCTS LIMITED
(formerly known as 'Kurlon Limited')**

SUDHAKAR T PAI
Managing Director
DIN 00043298

JAYA S PAI
Director
DIN 00030515

Date : 16.01.2025
Place : Bangalore

COMPOSITE APPLICATION FORM (CAF)
For Equity shareholders of KANARA CONSUMER PRODUCTS LIMITED
CIN : U68100KA1962PLC001443
Regd.Office:N-301, 3rd Floor, North Block, Manipal Centre, Dickenson Road, Bangalore 560042

“KCPL RIGHTS ISSUE 2024-25”

OFFER FOR 7,44,022 EQUITY SHARES OF RS.10/- EACH AT PAR AGGREGATING TO Rs.74,40,220 ON RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF THE COMPANY IN THE RATIO OF 1 (One) EQUITY SHARE FOR EVERY 19 (Nineteen) EQUITY SHARED HELD BY THE ELIGIBLE SHAREHOLDERS ON THE RECORD DATE I.E. 21st FEBRUARY 2025

Issue Open Date	27th February 2025
Issue Close Date	6th March 2025

Last date for receipt of application: 7th March 2025

PART A : Form of application by eligible shareholders for accepting the Rights equity shares offered as a part of this issue, in full or in part, and fro applying for additional Rights equity shares.

PART B : Form for renunciation of Rights Equity shares and

PART C : Form for application of the Rights Equity shares by the Renounees

PART A

Date :

To,

The Board of Directors
Kanara Consumer Products Limited
N-301, 3rd floor, North Block, Manipal Centre
Dickenson Road, Bangalore 560 042

Dear Sir,

Ref : Letter of Offer dated 16th January 2025 regarding the decision of the Board of Directors in its meeting held on 16th January 2025 to increase the paid up capital by issue of 7,44,022 equity shares of Rs.10 each at par aggregating to Rs.74,40,220 on rights issue basis to the existing equity shareholders of the Company in the ratio of 1(one) equity share for every 19(nineteen) equity share held by the eligible shareholders on the record date i.e. 21.02.2025

1. I/We hereby accept and apply for allotment of the equity shares mentioned in Block III below in response to the letter of offer dated 16.01.2025 offering the equity shares to me/us on rights basis
2. I/We also apply for additional equity shares mentioned in Block IV below and agree to accept these equity shares or whatever lesser number of equity shares as may be allotted by the Company in terms of the Letter of Offer.
3. I/W enclose the amount specified in Block VI below at the rate of Rs.10/- per Equity Share payable on application on the total number of Equity Shares specified in Block V below.

4. I/We agree to accept equity shares to be allotted to me/us and to hold such shares upon the terms and conditions as laid down by the Board of Directors and subject to the provisions of the Companies Act, 2013, Memorandum & Articles of Association of the Company, and all the applicable laws, rules and guidelines.
5. I/We undertake that I/We will sign all such documents and do all other such acts, if any, necessary on my/our part to enable me/us to be registered as the holder/s of the equity shares in respect of which this application may be accepted.
6. I/WE also agree to accept the shares subject to laws, as applicable, guidelines, notifications and regulations relating to the issue of capital issued from time to time by Government of India/RBI/or other authorities.
7. I/WE solemnly declare that I/We are not applying for the equity shares in contravention of Section 269SS of the Income Tax Act, 1961.

Number of Equity shares held on record date i.e. 21.02.2025	Number of equity shares offered	Number of equity shares accepted	Number of additional equity shares applied for	Total number of equity shares applied for	Total amount payable @Rs.10 per equity share
Block (I)	Block (II)	Block (III)	Block (IV)	Block (V) = Block III + Block IV	Block (VI) = Block V x Rs.10/-

Payment Details:

Amount paid in Rs.	
Rupees in Words	
UTR No./details of online payment	

Other Details :

Contact details of Sole/First Joint Applicant:	Phone Email
For Refund Order, if any, details of Sole/First Applicant	Type of Account A/c No. Bank and Branch Address IFSC Code
Demat Details	Depository Name Depository Participant (DP) Name: DP ID No. Beneficiary Account No.

	Sole/First Applicant	Second Joint Holders	Third Joint Holders
Signature			
Name			
PAN Number			

Enclosure :

1.self attested copy of PAN Card

2. DD/Cheque

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PART B

Form of Renunciation

Date :

To,

The Board of Directors
Kanara Consumer Products Limited
N-301, 3rd floor, North Block, Manipal Centre
Dickenson Road, Bangalore 560 042

Dear Sir,

1. Pursuant to the Letter of Offer dated 16.01.2025, I/We hereby renounce my/our rights to the equity shares indicated in Block VII herein below in favour of person(s)/entity accepting the same and signing PART C below with respect to such equity shares [Form of application by Renouncee(s)]

No of equity shares renounced	Block VII	
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I/We have not made any application to the Company for allotment of these equity shares in my/our name(s)

	Sole/First Applicant	Second Joint Holders	Third Joint Holders
Signature			
Name			
PAN Number			

“KCPL RIGHTS ISSUE 2024-25”

PART C

Form of Application by Renouncee(s) (to be filled in by Renouncee(s) only)

To,

The Board of Directors
Kanara Consumer Products Limited
N-301, 3rd floor, North Block, Manipal Centre
Dickenson Road, Bangalore 560 042

Dear Sirs,

1. In terms of letter of offer dated 16th January 2025 and pursuant to the form of renunciation signed by the above mentioned shareholder(s). I/We apply for allotment of below mentioned equity shares as indicated in Block X, in respect of these equity shares. I/We enclose the amount specified in Block XI being the amount payable on application.
2. I/WE agree to accept equity shares to be allotted to me/us and to hold such shares upon the terms and conditions as laid down by the Board of Directors and subject to the provisions of the Companies Act, 2013, Memorandum and Articles of Association of the Company, and all the applicable laws, rules
3. I/We undertake that I/We will sign all such documents and do all other such acts, if any, necessary on my/our part to enable me/us to be registered as the holder(s) of the equity shares in respect of which this application may be accepted
4. I/WE also agree to accept the shres subject to alws, as applicable, guidelines, notifications and regulations relating to the issue of capital issued from time to time by Government of India/RBI and/or any other authorities.
5. I/We solemnly declare that I/We are not applying for the equity shares in contravention of section 269SS of the Income Tax Act, 1961

No.of equity shares accepted out of Block VII above	No.of additional equity shares applied for	Total no. of equity shares applied for	Amount payable on application @ Rs.10/- per equity share
(Block VIII)	(Block IX)	(Block X)	Block (XI) = (Block X x Rs.10/-)

Payment Details:

Amount paid in Rs.	
Rupees in words	
UTR Numbeerr/details of online payment	

Other Details :

Contact Details of Sole/First Joint Applicant:	Phone : Email :
For Refund Order, if any, details of Sole/First Applicant	Type of Account : Account No. Bank and Branch Address IFSC Code
Demat Details	Depository Name: Depository Participant (DP) Name : DP ID No. Beneficiary Account No.

	Sole/First Applicant	Second Joint Holders	Third Joint Holders
Signature			
Name			
PAN Number			

Enclosure :

- 1.self attested copy of PAN Card
2. DD/Cheque