

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Letter of Offer (“LoF”) is sent to you as an Eligible Equity Shareholder (*as defined below*) of Oxygenta Pharmaceutical Limited (“OPL”/“Target Company”). If you require any clarifications about the action to be taken, you may consult your stock broker or Investment Consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying form of acceptance and Transfer Deed to the member of the Stock Exchange through whom the said sale was affected.

**OPEN OFFER BY**

**Mr. M V S Prasad Reddy (alias Mr. Mallu Venkata Siva Prasad Reddy) (“Acquirer”)**  
**Residing at:** 9-99, Amaravathi Nagar, Tirupati, Chittoor-517 502. Andhra Pradesh. India.  
**Contact No.:** +91 99081 47999 | **Email ID:** prasadmallu@yahoo.com

to acquire up to 96,16,000 fully paid-up equity shares of face value of ₹10 each representing 26.00% of Emerging Voting Share Capital of the Target Company at a price of ₹16 per Equity Share (“Offer Price”), payable in cash in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto (“SEBI (SAST) Regulations, 2011”) from the Eligible Equity Shareholders

OF

**OXYGENTA PHARMACEUTICAL LIMITED**

(CIN: L24110TG1990PLC012038)

**Registered Office at:** Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak, Telangana-502 291.  
**Tel. No.:** +91 84552 50080 | **Email ID:** cs@oxygentapharma.com | **Website:** www.oxygentapharma.com

- 1) This Offer is being made by the Acquirer pursuant to Regulations 3(1) and 4 of SEBI (SAST) Regulations 2011.
  - 2) This Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations, 2011 and is not subject to any minimum level of acceptance.
  - 3) This Open Offer is not a competing offer in terms of Regulations 20 of SEBI (SAST) Regulations, 2011.
  - 4) As on the date of this LoF, to the best of the knowledge of the Acquirer, no Statutory Approvals are required to acquire Equity Shares that are validly tendered pursuant to this Open Offer. However, in case of any statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period, this Open Offer shall be subject to the receipt of such approvals.
  - 5) If there is any upward revision in the Offer Price/Offer Size at any time prior to commencement of one working day before the commencement of the Tendering Period in terms of the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement (“DPS”) was published. Such revised Offer Price would be payable to all the Eligible Equity Shareholders, who have validly tendered their Equity Shares anytime during the Tendering Period to the extent their Equity Shares have been verified and accepted under the Offer, by the Acquirer. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, the same would be communicated within two working days by an announcement in the same newspapers in which the DPS was published.
  - 6) There has been no Competing Offer to this Offer as on the date of this Letter of Offer (“LoF”). The last date for making such competing offer has expired.
- A copy of the Public Announcement (“PA”), Detailed Public Statement (“DPS”), Draft Letter of Offer (“DLof”) and Letter of Offer (“LoF”) (including the Form of Acceptance-cum-Acknowledgement) will also be available on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
	<b>Mark Corporate Advisors Private Limited</b> CIN: U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Maharashtra. India. <b>Tel. No.:</b> +91 22 2612 3207/08 <b>Email ID:</b> openoffer@markcorporateadvisors.com <b>Investor Grievance Email ID:</b> investorgrievance@markcorporateadvisors.com <b>Contact Person:</b> Mr. Manish Gaur <b>SEBI Reg. No.:</b> INM000012128		<b>Venture Capital and Corporate Investments Private Limited</b> CIN: U65993TG1986PTC006936 Aurum, Plot No. 57, 5 <sup>th</sup> Floor, Jayabheri Enclave, Phase-II, Gachibowli, Hyderabad-500 032. Telangana. India. <b>Tel. No.:</b> +91 40 2381 8475/76 <b>Email ID:</b> pvsrinivas@vccipl.com <b>Investor Grievance Email ID:</b> investor.relations@vccipl.com <b>Contact Person:</b> Mr. P. V. Srinivasa Rao <b>Website:</b> www.vccipl.com <b>SEBI Reg. No.:</b> INR000001203
<b>Offer Opens on</b>	<b>: Thursday, August 08, 2024</b>	<b>Offer Closes on</b>	<b>: Thursday, August 22, 2024</b>

**SCHEDULE OF MAJOR ACTIVITIES PERTAINING TO THE OFFER:**

Sr. No.	Nature of Activity	Original Schedule	Revised Schedule <sup>(1)</sup>
		Day & Date	Day & Date
1)	Public Announcement	Monday, April 08, 2024	Monday, April 08, 2024
2)	Last Date of publishing the Detailed Public Statement	Thursday, April 18, 2024	Thursday, April 18, 2024
3)	Last date for filing of Draft Letter of Offer with SEBI	Thursday, April 25, 2024	Thursday, April 25, 2024
4)	Last date of a Competing Offer(s) <sup>(2)</sup>	Friday, May 10, 2024	Friday, May 10, 2024
5)	Last date for receipt of SEBI observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager)	Friday, May 17, 2024	Tuesday, July 23, 2024 <sup>(3)</sup>
6)	Identified Date <sup>(4)</sup>	Tuesday, May 21, 2024	Thursday, July 25, 2024
7)	Last date by which the Letter of Offer will be dispatched to the Eligible Equity Shareholders as on the identified date	Wednesday, May 29, 2024	Thursday, August 01, 2024
8)	Last date by which the recommendation of the committee of Independent Directors of the Target Company will be given and published	Friday, May 31, 2024	Monday, August 05, 2024
9)	Last Date for revising the Offer Price/number of shares	Monday, June 03, 2024	Tuesday, August 06, 2024
10)	Date of Public Announcement for Opening the Offer	Tuesday, June 04, 2024	Wednesday, August 07, 2024
11)	Date of Commencement of the Tendering Period (“ <b>Offer Opening Date</b> ”)	Wednesday, June 05, 2024	Thursday, August 08, 2024
12)	Date of Closing of the Tendering Period (“ <b>Offer Closing Date</b> ”)	Wednesday, June 19, 2024	Thursday, August 22, 2024
13)	Last date for communicating Rejection/acceptance and payment of consideration for accepted equity shares or equity share certificate/return of unaccepted share certificates/credit of unaccepted shares to Demat Account	Wednesday, July 03, 2024	Thursday, September 05, 2024

Notes:

<sup>(1)</sup> Where last dates are mentioned for certain activities, such activities may take place on or before the respective last dates.

<sup>(2)</sup> There is no competing offer to this Offer.

<sup>(3)</sup> Actual date of receipt of SEBI observations on the DLoF.

<sup>(4)</sup> Identified Date is only for the purpose of determining the names of the Eligible Shareholders as on such date to whom the Letter of Offer will be sent. It is clarified that all the holders (registered or unregistered) of Equity Shares of the Target Company except the Acquirer, Deemed PACs and Promoters of the Target Company, are eligible to participate in this Offer any time during the tendering period of the Offer.

## **RISK FACTORS:**

**Given below are the risks related to the proposed Offer and those associated with the Acquirer:**

### **Risks Relating to the Underlying Transaction and the Proposed Open Offer:**

- 1) This Offer is a mandatory offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011.

The consummation of the Underlying Transaction is subject to various conditions as specified under the Share Purchase Agreement.

- 2) To the best of the knowledge of the Acquirer, there are no other statutory approvals required by the Acquirer to complete this Offer. However, in case of any statutory approvals are required by the Acquirer at a later date before the expiry of the tendering period, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for such statutory approvals. In case of delay in receipt of any such statutory or regulatory approvals, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Open Offer, subject to the Acquirer agreeing to pay interest to the Public Shareholders for delay beyond 10th Working Day from the date of Closure of Tendering Period, at such rate as may be specified by SEBI. Further, if delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, Regulation 17(9) of SEBI (SAST) Regulations, 2011 will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture. Where the statutory or regulatory approvals extend to some but not all the Public Shareholders, the Acquirer shall have the option to make payment of the consideration to such Public Shareholders in respect of whom no statutory or regulatory approvals are required in order to complete this Offer in respect of such Public Shareholders.
- 3) In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, 2011, acceptance would be determined on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the shareholders in the Offer will be accepted.
- 4) Shareholders who tender the Equity Shares in acceptance of the Offer shall not be entitled to withdraw their shares, even if the acceptance of equity shares under this Offer and dispatch of consideration are delayed.

### **Relating to the Acquirer:**

- 1) The Acquirer cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- 2) The Acquirer and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement (“PA”)/Detailed Public Statement (“DPS”)/Draft Letter of Offer (“DLof”)/Letter of Offer (“LoF”) and anyone placing reliance on any other sources of information, not released by the Acquirer, would be doing so at his/her/its own risk.

**The Risk Factors set forth above pertain to the Offer and do not relate to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choice, if any, for further risks with respect to each such Shareholder’s participation in the Offer.**

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## 1. ABBREVIATIONS/DEFINITIONS

<b>Acquirer</b>	Mr. M V S Prasad Reddy ( <i>alias Mr. Mallu Venkata Siva Prasad Reddy</i> )
<b>BSE</b>	BSE Limited, Mumbai
<b>CDSL</b>	Central Depository Services (India) Limited
<b>Companies Act</b>	Companies Act, 1956 and Companies Act, 2013
<b>CP</b>	Conditions Precedent
<b>Deemed PACs with the Acquirer</b>	(i) Amigos Molecular Solutions Private Limited (ii) Mrs. Rachamalla Aparna
<b>DP</b>	Depository Participant
<b>DPS/Detailed Public Statement</b>	Detailed Public Statement relating to the Offer published on April 18, 2024
<b>Emerging Voting Share Capital</b>	3,69,83,500 Equity Shares of the Target Company on a diluted basis as of the tenth working day from the closure of the Tendering Period. This comprises of (i) Existing Voting Share Capital of the Target Company i.e., 3,54,83,500 Equity Shares including 20,00,000 equity shares allotted on Preferential basis on May 21, 2024; and (ii) 15,00,000 Equity shares intended to be issued by the Target Company upon conversion of 15,00,000 Warrants, which were allotted to Non-Promoter Shareholders (10,00,000 to Mr. Devarapally Venkateswara Reddy and 5,00,000 to Mr. Bandi Satyanarayana Reddy) on April 26, 2023
<b>Eligible Equity Shareholders/Public Shareholders</b>	All the public shareholders of the Target Company, excluding the existing Promoters of the Target Company, the parties to the Underlying Transaction and any persons deemed to be acting in concert (“ <b>Deemed PACs</b> ”) with the parties mentioned above, pursuant to and in compliance with the provisions of Regulation 7(6) of SEBI (SAST) Regulations, 2011
<b>Equity Share Capital/ Paid-up Share Capital</b>	Existing paid-up Equity Share Capital of ₹35,48,35,000 comprising of 3,54,83,500 Equity Shares of ₹10 each fully paid-up
<b>Equity Shares</b>	Fully paid-up Equity Shares of the Target Company of the face value of ₹10 each
<b>Escrow Bank/Escrow Agent</b>	Axis Bank Limited
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended from time to time
<b>FIIs/FPIs</b>	Foreign Institutional Investors / Foreign Portfolio Investors registered with SEBI
<b>Identified Date</b>	Thursday, July 25, 2024 i.e., date falling on the tenth Working Day prior to the commencement of Tendering Period, for the purposes of determining the Eligible Shareholders to whom this Letter of Offer shall be sent
<b>IFSC</b>	Indian Financial System Code
<b>Income Tax Act</b>	Income Tax Act, 1961, as amended from time to time
<b>INR/Rs./₹</b>	Indian Rupees, the legal currency of India
<b>KMP(s)</b>	Key Managerial Personnel(s)
<b>LoF/Letter of Offer</b>	This Letter of Offer dated July 27, 2024
<b>Manager/Manager to the Offer</b>	Mark Corporate Advisors Private Limited
<b>MICR</b>	Magnetic Ink Character Recognition
<b>MOU</b>	Memorandum of Understanding entered between the Acquirer and Non-Promoter Sellers on April 08, 2024
<b>NA/N.A.</b>	Not Applicable
<b>Non-Promoter Seller 1</b>	Qemiq Pharma Private Limited
<b>Non-Promoter Seller 2</b>	Mrs. Vustala Pushpalatha
<b>Non-Promoter Sellers</b>	Non-Promoter Seller 1 and Non-Promoter Seller 2
<b>Non-Resident Shareholder(s)</b>	Person’s resident outside India as defined under FEMA, holding Equity Shares of the Target Company
<b>NRI</b>	Non-Resident Indian
<b>OCBs</b>	Overseas Corporate Bodies
<b>Offer period</b>	Period from the date of entering into an agreement, to acquire Equity Shares, Voting Rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Shareholders who have accepted the Open

	Offer is made, or the date on which the Open Offer is withdrawn
<b>Offer/Open Offer</b>	The Open Offer is made by the Acquirer to the Eligible Equity Shareholders to acquire up to 96,16,000 Equity Shares representing 26.00% of Emerging Voting Share Capital of the Target Company
<b>Offer Price</b>	₹16 per Equity Share
<b>Offer Size</b>	Up to 96,16,000 Equity Shares representing 26.00% of Emerging Voting Share Capital of the Target Company at a price of ₹16 per Equity Share, aggregating to ₹ 15,38,56,000
<b>PA/Public Announcement</b>	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirer on April 08, 2024
<b>PACs</b>	Persons Acting in Concert
<b>Preferential Allotment/ Preferential Issue</b>	The issue and allotment of 20,00,000 Equity Shares, comprising of: (i) 17,00,000 equity shares to the Acquirer (ii) 2,00,000 equity shares to Amigos Molecular Solutions Private Limited and 1,00,000 Equity Shares to Mrs. Rachamalla Aparna (“ <b>Deemed PACs</b> ”), having face value of ₹10 each at an issue price of ₹16 per equity share (including a share premium of ₹6 per equity share). The preferential allotment has been approved by the Board of Directors of the Target Company in their meeting held on April 08, 2024 and the same is approved by the shareholders on May 09, 2024.
<b>Promoters</b>	Promoters of Oxygenta Pharmaceutical Limited as per Regulation 31(1)(b) of SEBI (LODR) Regulations, 2015
<b>Promoter Seller</b>	Mr. K Raghavender Rao
<b>Registrar/Registrar to the Offer</b>	Venture Capital and Corporate Investments Private Limited
<b>RTGS</b>	Real Time Gross Settlement
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI Act</b>	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
<b>SEBI (LODR) Regulations, 2015</b>	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, and subsequent amendments thereof
<b>SEBI (SAST) Regulations, 2011/ SEBI (SAST) Regulations/SEBI Takeover Code/Regulations</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereto
<b>SPA/Share Purchase Agreement/Agreement</b>	Share Purchase Agreement entered between Acquirer and Promoter Seller on April 08, 2024
<b>Stock Exchange</b>	BSE Limited, Mumbai
<b>Tendering Period</b>	Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer, i.e., the period between and including Thursday, August 08, 2024 and Thursday, August 22, 2024
<b>Target Company/OPL</b>	Oxygenta Pharmaceutical Limited

*Note: All capitalized terms used in the Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI (SAST) Regulations, 2011.*

## 2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (SAST) REGULATIONS, 2011. THIS REQUIREMENT IS TO FACILITATE SHAREHOLDERS OF OXYGENTA PHARMACEUTICAL LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES HIS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED APRIL 25, 2024 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

## 3. DETAILS OF THE OFFER

### 3.1. BACKGROUND OF THE OFFER

**3.1.1.** This Open Offer is being made by Acquirer to the Eligible Equity Shareholders of Oxygenta Pharmaceutical Limited (“OPL”/“Target Company”) pursuant to and in compliance with Regulations 3(1) and 4 of SEBI (SAST) Regulations, 2011 to acquire up to 96,16,000 Equity Shares of ₹10 each representing 26.00% of the Emerging Voting Share Capital of the Target Company (“Offer Size”) at a price of ₹16 per Equity Share (“Offer Price”), payable in cash, subject to the terms and conditions set out in the PA, DPS, DLoF and LoF that will be sent to the Eligible Equity Shareholders of the Target Company.

**3.1.2.** The details of the Transactions which triggered the Open Offer are as under:

**3.1.2.1.** The Acquirer has entered into a SPA with the Promoter Seller of the Target Company on April 08, 2024 to acquire 8,00,000 equity shares (“SPA Sale Shares”) having face value of ₹10 each representing 2.16% of the Emerging Voting Share Capital of the Target Company at a price of ₹15 each, aggregating to a sum of ₹1,20,00,000 payable in cash. The details of the acquisitions through SPA are as under:

Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
		Pre-Transaction		Post Transaction	
		Number	% vis a vis Emerging Voting Capital	Number	% vis a vis Emerging Voting Capital
<b>Mr. K Raghavender Rao</b> (“Promoter Seller”)  PAN: BEGPK7825C  Address: H. No. 2-50, Hanmapalli, Dhanwada Mandal, Kondapur, Kondapuram, Dist. Mahabubnagar, Telangana-509371.	Yes	8,00,000	2.16%	Nil	N.A.
<b>Total</b>		<b>8,00,000</b>	<b>2.16%</b>	<b>Nil</b>	<b>N.A.</b>

*Note: The equity shares are under lock-in up to January 15, 2025 and it will be transferred, subject to the continuation of the residual lock-in period, in the hands of the Acquirer, post completion of the Open Offer formalities.*

The total purchase consideration for the above-mentioned SPA is ₹1,20,00,000. The Acquirer has paid an Earnest Money Deposit (“**EMD**”) of ₹10,00,000 on execution of the SPA. The balance amount after adjusting the EMD has been paid by the Acquirer to the Promoter Seller on June 10, 2024.

3.1.2.2. Pursuant to MOU entered into between the Acquirer and the Non-Promoter Sellers on April 08, 2024, the Acquirer has agreed to acquire 69,52,600 equity shares (“**MOU Sale Shares**”) having face value of ₹10 each at a price of ₹15 per equity share representing 18.80% of the Emerging Voting Share Capital of the Target Company. The details of the Sellers are as under:

Sr. No.	Name, PAN & Address	Part of Promoter Group (Yes/No)	Details of Shares/Voting Rights held by the Selling Shareholders			
			Pre-Transaction		Post Transaction	
			Number	% vis a vis Emerging Voting Capital	Number	% vis a vis Emerging Voting Capital
1)	<b>Qemiq Pharma Private Limited<sup>(i)</sup></b> (“ <b>Non- Promoter Seller 1</b> ”)  CIN: U24100TG2020PTC141937  PAN: AATCA7176P  Address: 4-7-64/A1/1, Saraswathi Block, Triveni Complex, Hyderabad-500013, Telangana.	No	39,52,600	10.69%	Nil	N.A.
2)	<b>Mrs. Vustala Pushpalatha</b> (“ <b>Non- Promoter Seller 2</b> ”)  PAN: AKMPV3345F  Address: Plot No. 53, Street No. 8, Road No. 13, Ravindranagar Colony, Near Sai Baba Temple, Habsiguda, Amberpet, Hyderabad-500013. Telangana.	No	30,00,000	8.11%	Nil	N.A.
	<b>Total</b>		<b>69,52,600</b>	<b>18.80%</b>	<b>Nil</b>	<b>N.A.</b>

<sup>(i)</sup> The name of the Company was changed from ARR Capital Investment Private Limited to Qemiq Pharma Private Limited and a fresh certificate of Incorporation was issued by Registrar of Companies, Telangana on December 17, 2021.

The total purchase consideration for the above-mentioned MOU is ₹10,42,89,000. The Acquirer has paid an amount of ₹20,00,000 (₹10,00,000 each to Non-Promoter Seller 1 and Non-Promoter Seller 2) on execution of the MOU. The balance amount after adjusting ₹20,00,000 will be paid by the Acquirer to the Sellers on or before June 30, 2024. However, the said date of payment has been extended until seven days from the closure of Open Offer process under SEBI (SAST) Regulations, 2011 by way of entering a Supplementary MOU between the Acquirer and the Non-Promoter Sellers on June 29, 2024.

3.1.2.3. On April 08, 2024, the Board of Directors of the Target Company approved issue and allotment of 20,00,000 Equity Shares of Face Value of ₹10 each representing 5.41% of the Emerging Voting Share Capital of the Target Company at an issue price of ₹16 per Equity Share. Out of which (i) 17,00,000 Equity Shares of Face Value of ₹10 each representing 4.60% of the Emerging Voting Share Capital is issued and allotted to the Acquirer; (ii) 3,00,000 Equity Shares (2,00,000 equity shares to Amigos Molecular Solutions Private Limited and 1,00,000 equity shares to Mrs. Rachamalla Aparna) of Face Value of ₹10 each representing 0.81% of the Emerging Voting Share Capital is issued and allotted to Deemed PACs with the Acquirer.

**3.1.3.** The Equity Shares mentioned above under 3.1.2.1 and 3.1.2.2 are lying in the Demat Account of the respective selling shareholders, which shall be transferred to the demat account of the Acquirer in compliance with SEBI (SAST) Regulations, 2011. The duly signed Delivery Instruction Slips are in the custody of the Manager to the Offer.



**3.1.4.** The above-mentioned Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other Regulations made under the SEBI Act, 1992.

**3.1.5.** The common salient features of the SPA entered between the Acquirer and the Seller are as under:

## **1. AGREEMENT TO SELL SHARES**

- 1.1. The Seller shall sell to the Acquirer and the Acquirer shall, subject to the fulfillment of the conditions specified in Clause 3, and relying on the several representations and undertakings of the Seller hereinafter contained, purchase the Sale Shares, free from all encumbrances and defects for the Purchase Price and on the terms and conditions hereinafter contained.
- 1.2. The Acquirer shall acquire 8,00,000 (Eight lakhs only) fully paid-up Equity Shares of ₹10 each of the Company, representing 2.39% of the Share Capital/ Voting Capital of the Target Company and 2.16% of the Emerging Voting Share Capital of the Target Company.
- 1.3. The Purchase Consideration for the Sale Shares shall be at the rate of ₹15 (Rupees Fifteen only) per share. The Acquirer shall pay the Purchase Consideration relating to the Sale Shares acquired by such Acquirer.
- 1.4. An earnest money deposit of ₹10,00,000 (Rupees Ten lakhs only) was paid for the Sale of Shares at the time of execution of the Share Purchase Agreement. The consideration after adjusting the earnest money deposit would be paid upon the completion of the takeover formalities/payment of consideration to the shareholders who have surrendered their shares in the Open Offer.
- 1.5. The breakup of the shares held by the seller is mentioned in Schedule-I and the breakup of the shares being acquired by the Acquirer is mentioned in Schedule-II.
- 1.6. The Un-Audited balance sheet of the company as on December 31, 2023 are mentioned in Schedule-III.

## **2. CONDITIONS OF AGREEMENT**

### **2.1. Conditions Precedent**

The Purchase of the Shares by the Acquirer is subject to the fulfillment by the Seller of the following conditions precedent:

*“The approvals, if any, of the Authorities being obtained by the Seller at their own cost and such approvals being unconditional or if subject to conditions, the conditions are not unusual or onerous and certified copies thereof being submitted to the Acquirer”.*

### **2.2. Compliance with Takeover Regulations**

2.2.1. The sale and purchase of the Sale Shares shall be subject to compliance with the provisions of the Takeover Regulations.

2.2.2. The Seller shall cause the Company to comply with the provisions of the Takeover Regulations.

2.2.3. In case of non-compliance with any of the provisions of the Takeover Regulations by either of the parties, this agreement for sale of the Sale Shares shall not be acted upon by either Seller or the Acquirer.

2.2.4. The Acquirer / Seller undertakes that if the public shareholding in the Company fall below the limit specified in Listing Agreement with Stock Exchange for the purpose of listing on continuous basis, pursuant to the Agreements and Open Offer, the Acquirer will maintain the minimum specified public shareholding in the Company.

### **3. DUE DILIGENCE**

- 3.1. The Acquirer has, prior to execution hereof, carried out a financial and legal due diligence with respect to the Company based on information/documents supplied by the Seller to the Acquirer and have relied upon the accounts of the Company referred to in clause 1.6 above.
- 3.2. The Acquirer shall be entitled to any additional information that the Acquirer may require in relation to the Company pursuant to any further clarifications required in view of the due diligence carried out by the Acquirer.
- 3.3. The Seller shall ensure that the Acquirer and their authorized representatives are permitted access to the books, accounts, papers, records and documents of the Target Company and that the Acquirer and their authorized representatives shall be entitled to copies of and extracts from the books, accounts, papers, records and documents of the Company.

**3.1.6.** The Common salient features of the MOU entered between the Acquirer and the Non-Promoter Sellers are as under:

#### **1. Process of acquisition-conditions precedent:**

- 1.1. The Sellers and Acquirer has mutually agreed that the documentation including delivery instruction slips for the transfer of Selling Shares shall be duly executed and kept with Escrow Agent upon execution of the MOU.
- 1.2. For the purposes of the Agreement, the Parties have mutually agreed that Manager to the Offer, is hereby appointed as the Escrow Agent until the successful completion of the transfer of the Selling Shares by the Sellers to the Acquirer;

#### **2. Compliance with Takeover Regulations:**

- 2.1. The sale and purchase of the Sale Shares shall be subject to compliance with the provisions of the SEBI (SAST) Regulations, 2011/SEBI Takeover Code.
- 2.2. In case of non-compliance with any of the provisions of the Takeover Code by either of the parties, this agreement for sale of the Sale Shares shall not be acted upon by either Sellers or the Acquirer.

**3.1.7.** The issue and allotment of Equity Shares are subject to receipt of shareholders' and other requisite approvals, if any.

**3.1.8.** The Proposed change in control of the Target Company is not through any Scheme of Arrangement.

**3.1.9.** Pursuant to Underlying Transaction mentioned in 3.1.1, 3.1.2 and 3.1.3, above, the Acquirer is making this Open Offer in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 to acquire up to 96,16,000 Equity Shares of face value of ₹10 each, representing 26.00% of the Emerging Voting Share Capital of the Target Company at a price of ₹16 per Equity Share, aggregating to ₹15,38,56,000, payable in cash, subject to the terms and conditions set out in the PA, DPS and the LoF, which will be sent to the Eligible Equity Shareholders of the Target Company. Pursuant to the Underlying Transaction and upon completion of the Open Offer, the Acquirer will have joint control over the Target Company along with the remaining members of the Promoter/ Promoter Group and become one of the Promoter of the Target Company. Further, the Deemed PACs to Acquirer will form part of Promoter Group of the Target Company and the Promoter Shareholder (Mr. K Raghavender Rao) shall ceased to be the Promoter of the Target Company and shall be classified as public shareholder in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations, 2015.

**3.1.10.** The Equity Shares issued and allotted under the Preferential Issue to the Acquirer and Deemed PACs, is kept in a separate Demat Escrow Account, opened with R. L. P. Securities Private Limited, bearing Account No. 1204340000199247 titled "OXYGENTA PHARMACEUTICAL LIMITED OPEN OFFER ESCROW DEMAT ACCOUNT 2024". The Acquirer and Deemed PACs to the Acquirer will not exercise any voting rights over such shares being kept in escrow until the expiry of the offer period in accordance with the SEBI (SAST) Regulations, 2011 and the Demat Escrow Account will be closed thereafter.

- 3.1.11.** The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992, as amended, or any other Regulations made under the SEBI Act.
- 3.1.12.** There may be changes in the composition of Board of Directors of the Target Company after the completion of Offer, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and Regulation 24 of the SEBI (SAST) Regulations, 2011. No proposal in this regard has been finalized as on the date of this LoF.
- 3.1.13.** As per Regulation 26(6) of the SEBI (SAST) Regulations, 2011 the Board of Directors are required to constitute a committee of Independent Directors to provide reasoned recommendation on this Offer to the Eligible Shareholders. Such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations, 2011.
- 3.1.14.** No other persons/individuals/entities are acting in concert with the Acquirer for the purpose of this Offer in terms of Regulation 2 (1) (q) of the SEBI (SAST) Regulations, 2011.

### **3.2. DETAILS OF THE PROPOSED OFFER**

**3.2.1.**The PA announcing the Open Offer, under Regulations 3(1) and 4 read with Regulation 13, 14 and 15 of SEBI (SAST) Regulations, 2011 was made on April 08, 2024 and was filed with SEBI, BSE and the Target Company on the same day through e-mail and the hard copy of the same was submitted to SEBI on April 08, 2024.

**3.2.2.**In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, the DPS was published on April 18, 2024 in the following newspapers:

<b>Publication</b>	<b>Language</b>	<b>Edition(s)</b>
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition
Nava Telangana	Telugu	Hyderabad Edition

*The Public Announcement and Detailed Public Statement are also available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in).*

A copy of the DPS was filed through the Manager to the Offer with SEBI, BSE and the Target Company through e-mail on April 18, 2024. The hard copy of the same was submitted to SEBI on the same day.

**3.2.3.**This Offer is made by the Acquirer to all Eligible Equity Shareholders, to acquire up to 96,16,000 Equity Shares of face value of ₹10 each representing 26.00% of the Emerging Voting Share Capital, at a price of ₹16 per Equity Share, to be paid in cash, in accordance with Regulation 9(1)(a) of SEBI (SAST) Regulations, 2011 and subject to the terms and conditions set out in the PA, DPS, DLoF and LoF.

**3.2.4.**There is no differential pricing for the Offer.

**3.2.5.**This is not a Competing Offer in terms of Regulation 20 of SEBI (SAST) Regulations, 2011. There has been no competing offer as of the date of this LoF.

**3.2.6.**The Offer is unconditional and not subject to any minimum level of acceptance from the shareholders. In terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011, the Acquirer will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer up to a maximum of 96,16,000 Equity Shares representing 26.00% of the Emerging Voting Share Capital of the Target Company.

**3.2.7.**The Acquirer has not acquired any shares of the Target Company after the date of PA i.e., April 08, 2024 and up to the date of this LoF, except for 17,00,000 Equity Shares allotted pursuant to Preferential Allotment representing 4.60% of the Emerging Voting Share Capital of the Target Company.

**3.2.8.**The Acquirer will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011 in the event Statutory Approvals are refused. In the event of withdrawal of this Offer, a Public Announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which the DPS has been published and such Public Announcement will also be sent to SEBI, BSE and the Target Company.

- 3.2.9.** There are no regulatory actions/administrative warnings/directions subsisting or proceedings pending against the Manager to the Offer under SEBI Act, 1992 and Regulations made thereunder or by any other Regulator, except issuance of a administrative warning by SEBI vide letter no. SEBI/HO/CFD/SEC-3/OW/P/2023/44904/1 dated November 07, 2023 and SEBI/HO/CFD/SEC-5/OW/P/2024/10509/1 dated March 14, 2024 for violations of Regulations/Circulars/ Notification under SEBI Act 1992.
- 3.2.10.** As on the date of Public Announcement, there are no penalties levied by Securities and Exchange Board of India (“SEBI”)/Reserve Bank of India (“RBI”) on Manager to the Offer.
- 3.2.11.** The Manager to the Offer viz., Mark Corporate Advisors Private Limited does not hold any Equity Shares in the Target Company as on the date of appointment to act as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 (fifteen) days from the date on which the payment of consideration to the Eligible Equity Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn, as the case may be.
- 3.2.12.** There are no regulatory actions/administrative warnings/directions subsisting or proceedings pending against Venture Capital and Corporate Investments Private Limited (Registrar to the Offer) under SEBI Act, 1992 and Regulations made thereunder or by any other Regulator.
- 3.2.13.** As on the date, there are no penalties levied by Securities and Exchange Board of India (“SEBI”)/Reserve Bank of India (“RBI”) on Venture Capital and Corporate Investments Private Limited (RTA).
- 3.2.14.** The Equity Shares of the Target Company acquired by the Acquirer shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.15.** As per Regulation 38 of the SEBI (LODR) Regulations, 2015 read with Rules 19(2) and 19A of the SCRR, the Target Company is required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the acquisition of Equity Shares in this Open Offer, the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws.

### **3.3. OBJECT OF THE OFFER**

- 3.3.1.** This Offer is being made to the Eligible Equity Shareholders of Target Company pursuant to and in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011.
- 3.3.2.** At present, the Acquirer does not have any plans to make major changes to the existing line of business of the Target Company except in the ordinary course of business. The main purpose of takeover is to expand the Company’s existing business activities in the same line through exercising the effective management and control over the Target Company. The Acquirer may reorganize the present Capital structure of the Company and also further strengthen the Board.
- 3.3.3.** The Object of the acquisition is to hold majority stake and take control over the Management of the Target Company.
- 3.3.4.** The Acquirer do not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of regulation 25(2) of SEBI (SAST) Regulations, 2011.

#### 4. BACKGROUND OF THE ACQUIRER

##### 4.1. Information about Mr. M V S Prasad Reddy (*alias Mr. Mallu Venkata Siva Prasad Reddy*) (“Acquirer”)

- 4.1.1. Mr. M V S Prasad Reddy, S/o Venkata Subba Reddy Mallu, aged about 52 years, is presently residing at 9-99, Amaravathi Nagar, Tirupati, Chittoor-517 502, Andhra Pradesh, India. His Permanent Account Number under Indian Income Tax Act is BDHPM5105P. He holds a degree of Bachelor of Technology in Mechanical Engineering, from Sri Venkateswara University, Tirupati. He is having 18 years of consulting experience with varied organizations in the United States of America and is a President and CEO of IIT Force LLC, Dallas, Texas, USA. His Contact No. is + 91 99081 47999 and Email ID is prasadmallu@yahoo.com.
- 4.1.2. The Acquirer is a registered Overseas Citizen of India and holding a valid registration card. The Equity Shares to be acquired by him by way of SPA, MOU, Preferential Allotment as well as this Open Offer will be on a non-repatriable basis.
- 4.1.3. The Acquirer is not part of any group.
- 4.1.4. The Net worth of the Acquirer is ₹6,538.23 Lakhs as on March 31, 2024 as certified by CA S. Siva Parvathi, (Membership No.: 226087), Proprietor, M/s S. Siva Parvathi & Associates, Chartered Accountants (FRN: 020872S) vide certificate dated April 08, 2024 having office at #202, 2<sup>nd</sup> Floor, Pavani Annexe, Road Number 2, Banjara Hills, Hyderabad, Telangana-500 034. Contact No. is +91 80084 65990 and Email ID is parvathitagore@gmail.com.
- 4.1.5. The Acquirer and the deemed PACs have not been categorized or declared as: (i) a ‘wilful defaulter’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by Reserve Bank of India in terms of Regulation 2(1)(ze) of SEBI (SAST) Regulations, 2011; or (ii) a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) in terms of Regulation 2(1)(ja) of SEBI (SAST) Regulations, 2011.
- 4.1.6. The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended, or any other Regulations made under the SEBI Act.
- 4.1.7. There are no regulatory actions/administrative warnings/directions subsisting or proceedings pending against the Acquirer under SEBI Act, 1992 and Regulations made thereunder or by any other Regulator.
- 4.1.8. There are no penalties levied by SEBI/RBI against the Acquirer. Further, as on date, no penalties are paid by the Acquirer.
- 4.1.9. The Acquirer is not associated in securities related business and/or is registered with SEBI as a Market Intermediary.
- 4.1.10. The Acquirer will not sell any Equity Shares of the Target Company, held and acquired, if any, during the Offer period in terms of Regulation 25(4) of SEBI (SAST) Regulations, 2011.
- 4.1.11. The Acquirer does not have any relationship either with the existing Promoter/Promoter Group, Public Shareholders and/or Sellers of the Target Company. Further, the Acquirer does not have any relationship with the warrant holders of the Target Company namely Mr. Devarapally Venkateshwara Reddy and Mr. Bandi Satyanarayana Reddy.
- 4.1.12. There are no action taken/pending from Registrar of Companies/National Company Law Tribunal/National Company Law Appellate Tribunal against the Acquirer/Deemed PACs.
- 4.1.13. The Acquirer is a Promoter/Director of Amigos Molecular Solutions Private Limited (“Deemed PAC”) and Mrs. Rachamalla Aparna (“Deemed PAC”) is a professional friend of the Acquirer.
- 4.1.14. The provisions of Chapter V of the SEBI (SAST) Regulations, 2011 are not applicable to the Acquirer as he does not hold any shares in the Target Company as on date, since the shares allotted to the Acquirer and Deemed PACS on Preferential Allotment basis are kept in a separate Demat Escrow account until the completion of the Open Offer process.

- 4.1.15.** The Acquirer is not on the Board of any other listed company(ies).
- 4.1.16.** As on date, the Acquirer is neither holding any kind of stake in the Target Company nor he is having any relationship with/interest in the Target Company, except for (i) business transactions in the nature of vendor and vendee in the ordinary course of business with the entities namely Amigos Molecular Solutions Private Limited and Amigos Minerals LLP (partnership firm) where the Acquirer is a shareholder and partner respectively (ii) SPA with the Promoter of the Company for acquisition of 8,00,000 equity shares representing 2.16% of the Emerging Voting Share Capital of the Target Company; (ii) MOU with the Non-Promoter Shareholders for acquisition of 69,52,600 equity shares representing 18.80% of the Emerging Voting Share Capital of the Target Company; and (iii) Allotment of 17,00,000 equity shares representing 4.60% of the Emerging Voting Share Capital of the Target Company in the Preferential Issue. Thus, the Acquirer intends to acquire in aggregate 94,52,600 Equity Shares representing 25.56% of the Emerging Voting Share Capital of the Target Company, apart from the acquisition of Equity Shares in this Open Offer from the public.
- 4.1.17.** There are no Persons Acting in Concert (“PACs”) for the purpose of this Open Offer within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011. However, there are Deemed PACs to the Acquirer, to whom 3,00,000 equity shares (2,00,000 equity shares to Amigos Molecular Solutions Private Limited and 1,00,000 Equity Shares to Mrs. Rachamalla Aparna) aggregating to 0.81% of the Emerging Voting Share Capital of the Target Company are allotted in the proposed Preferential Issue.

## **5. BACKGROUND OF THE TARGET COMPANY-OXYGENTA PHARMACEUTICAL LIMITED**

- 5.1.** Oxygenta Pharmaceutical Limited (“OPL”/“Target Company”), bearing CIN L24110TG1990PLC012038 was incorporated on November 27, 1990 in the name of “S S Organics Private Limited” and a Certificate of Incorporation was issued by Registrar of Companies, Andhra Pradesh, Hyderabad. Thereafter, the Company was converted into a public limited company and the name of the company was changed to “S S Organics Limited” and a fresh Certificate of Incorporation was issued on February 01, 1993 by Registrar of Companies, Telangana, Hyderabad. Subsequently, the name of the Target Company was changed to “Oxygenta Pharmaceutical Limited” and a fresh Certificate of Incorporation was issued on February 10, 2022 by Registrar of Companies, Telangana, Hyderabad.
- 5.2.** The Registered Office is presently situated at Survey No. 252/1, Aroor Village, Sadasivapet Mandal, Medak, Telangana-502291, India.
- 5.3.** The Target Company is engaged in the business of manufacturing of all class and kinds of Drugs including pharmaceutical preparation, and Organic Fine Chemicals.
- 5.4.** The Authorized Share Capital of the Target Company was ₹35,00,00,000 comprising of 3,50,00,000 Equity Shares having face value of ₹10 each. The Target Company in its Board Meeting held on April 08, 2024 and Shareholders meeting held on May 09, 2024 had approved the increase in the Authorized Share Capital to ₹37,50,00,000 comprising of 3,75,00,000 equity shares having face value of ₹10 each. The current paid-up Equity Share Capital of the Target Company is ₹35,48,35,000 comprising of 3,54,83,500 equity shares having face value of ₹10 each fully paid up including 20,00,000 equity shares allotted on Preferential basis on May 21, 2024. Further, as on date the Target Company does not have any equity shares which are not listed on the Stock Exchange.
- 5.5.** The Equity Shares of the Target Company is listed on BSE Limited, Mumbai (“BSE”) having a scrip code as 524636. Further, the listing approval for 20,00,000 Equity Shares, which were allotted on May 21, 2024 was received from BSE vide its letter dated June 05, 2024. The Equity Shares of the Target Company are infrequently traded within the meaning of explanation provided in Regulation 2(j) of the Regulations. The ISIN of the Target Company is INE102E01018.

### **5.6. Share Capital Structure:**

The Equity Share Capital Structure of the Target Company is as follows:

<b>Paid-up Equity Shares</b>	<b>No. of Equity Shares/ Voting Rights</b>	<b>% of Equity Shares/ Voting Rights</b>
Fully Paid-up Equity Shares as on the date of Public Announcement	3,34,83,500	90.54%

<b>Paid-up Equity Shares</b>	<b>No. of Equity Shares/ Voting Rights</b>	<b>% of Equity Shares/ Voting Rights</b>
Partly Paid-up Equity Shares	Nil	N.A.
Equity Shares allotted pursuant to Preferential Issue	20,00,000	5.41%
Equity Shares intended to be allotted pursuant to conversion of Warrants	15,00,000	4.06%
<b>Emerging Voting Shares</b>	<b>3,69,83,500</b>	<b>100.00%</b>

- 5.7. As on date, there are no instruments pending for conversion into Equity Shares except, 15,00,000 warrants allotted to the Non-Promoters on April 26, 2023 which are intended to be converted on or before the tenth working day from the closure of the Tendering Period. However, the said warrants are not converted as on the date of this LoF. There are no partly paid-up Equity Shares.
- 5.8. There has been no merger/de-merger or spin off in the Target Company during the past three years.
- 5.9. As on date, the Target Company is fully compliant with the listing requirements. Further, there has not been any penal/punitive action taken by BSE.
- 5.10. Mr. K. Raghavender Rao, one of the Promoter/Seller acquired shares and took Joint Control over the Target Company along with Chawda family (Mr. Sunil Vishram Chawda, Mr. Manoj Sunil Chawda and Mrs. Aakanksha M. Chawda) in the FY 2022-2023 pursuant to SEBI (SAST) Regulations, 2011 and thereafter they have been complying with Chapter V of the SEBI (SAST) Regulations, 2011.
- 5.11. There are no pending regulatory action/administrative warning/directions subsisting or proceedings pending against the (i) promoters/members of the promoter group of the Target Company; and (ii) the Target Company under SEBI Act, 1992 and regulations made thereunder or by any other Regulator.
- 5.12. There are no penalties levied by Reserve Bank of India (“RBI”) either on the promoters/members of the promoter group of the Target Company or the Target Company.
- 5.13. There are no depository receipts issued by the Target Company in foreign Countries.
- 5.14. There are no reports filed under Regulation 10(7) of SEBI (SAST) Regulations, 2011 by the Promoter/Promoter Group during the financial year in which the Public Announcement has been made and for a period of eight financial years preceding the financial year in which the Public Announcement has been made.
- 5.15. The Promoter/Promoter Group of the Target Company do not have any relationship with the warrants holders of the Target Company namely Mr. Devarapally Venkateshwara Reddy and Mr. Bandi Satyanarayana Reddy.
- 5.16. An Adjudication Order No.: Order/SM/YK/2022-23/23921-23927 dated February 20, 2023 was issued by SEBI levying penalty of ₹5,00,000 on the Target Company and ₹6,00,000 on the Individuals, jointly or severally, including Promoters namely, Mr. D Sadasiva Reddy, Mr. Sai Sudhakar Vankineni, Mr. Raghavender Rao Kanuganti, Executive Director of the Target Company. Thereafter, the Target Company paid the penalty of ₹5,00,000 to SEBI on March 24, 2023 and the penalty of ₹6,00,000 was also paid on April 29, 2023.
- 5.17. There are no action taken/pending from Registrar of Companies/National Company Law Tribunal/National Company Law Appellate Tribunal against the Promoters/Promoter Group of the Target Company and the Target Company.
- 5.18. An administrative warning was issued to Mr. Vidyasagar Devabhaktuni and Mr. Sanagari Kondal Reddy, Independent Directors of the Target Company by SEBI vide its letter no. SEBI/HO/CFD/SEC-1/P/OW/2022/61698/3 dated December 09, 2022 with regard to related party disclosures of the Target Company.
- 5.19. As on date, the Target Company/it’s Promoters/members of the Promoter Group have not been categorized or declared as: (i) a ‘wilful defaulter’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by Reserve Bank of India in terms of Regulation 2(1)(ze) of SEBI (SAST) Regulations, 2011; or (ii) a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) in terms of Regulation 2(1)(ja) of SEBI (SAST) Regulations, 2011.

## 5.20. Details of the Board of Directors of the Target Company:

As on the date, the Directors representing the Board of the Target Company are:

Sr. No.	Name of the Director, DIN, PAN & Designation	Date of Appointment	No of Shares held in the TC	
			No. of Shares	% <sup>(i)</sup>
1)	<b>Mr. Sai Sudhakar Vankineni</b> <i>Designation:</i> Managing Director <i>DIN:</i> 00733001 <i>PAN:</i> AAZPV1267D	February 13, 2013	2,30,000	0.62%
2)	<b>Mr. Sanagari Kondal Reddy</b> <i>Designation:</i> Non-Executive and Independent Director <i>DIN:</i> 02530466 <i>PAN:</i> AIXPR7477F	February 14, 2019	5,00,000	1.35%
3)	<b>Mr. Vidyasagar Devabhaktuni</b> <i>Designation:</i> Non Executive and Independent Director <i>DIN:</i> 05317783 <i>PAN:</i> ACPPD7525G	July 29, 2013	1,68,000	0.45%
4)	<b>Mr. Padmaja Surapureddy</b> <i>Designation:</i> Non Executive and Independent Director <i>DIN:</i> 05358127 <i>PAN:</i> AJRPS3429H	March 05, 2019	-	N.A.
5)	<b>Mr. K. Raghavender Rao</b> <i>Designation:</i> Executive Director <i>DIN:</i> 08766586 <i>PAN:</i> BEGPK7825C	September 10, 2020	8,00,000	2.16%
6)	<b>Mr. Sunil Vishram Chawda</b> <i>Designation:</i> Executive Director <i>DIN:</i> 02369151 <i>PAN:</i> AAUPC0487H	September 04, 2023	41,61,200	11.25%
7)	<b>Mrs. Sravani Reddy Gantla</b> <i>Designation:</i> Executive Director <i>DIN:</i> 08809876 <i>PAN:</i> AOJPK3869G	September 04, 2023	44,87,000	12.13%
8)	<b>Ms. Bharath Reddy Guntuku</b> <i>Designation:</i> Non Executive and Independent Director <i>DIN:</i> 09737242	September 04, 2023	-	N.A.



Sr. No.	Name of the Director, DIN, PAN & Designation	Date of Appointment	No of Shares held in the TC	
			No. of Shares	% <sup>(i)</sup>
	PAN: CAJPG2707B			

N.A. – Not Applicable.

Notes:

(i) Calculated on the basis of Emerging Voting Capital of the Target Company.

(ii) As on date of this LoF, neither the Acquirer nor any of his representatives are on the Board of the Target Company.

5.21. The Un-Audited Key Financial Information as at and for nine months period ended December 31, 2023 and Audited Key Financial Information for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 of the Target Company are as under:

Profit & Loss Account:

(Figures in Lakhs)

Particulars	For nine months period ended	For the Financial Years ended		
	December 31, 2023	FY 2022-2023	FY 2021-2022	FY 2020-2021
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Revenue from Operations	2,908.97	3,098.75	6,052.48	5,202.70
Other Income	2.96	1.78	0.45	9.12
<b>Total Income</b>	<b>2,911.93</b>	<b>3,100.52</b>	<b>6,052.94</b>	<b>5,211.83</b>
<b>Expenses:</b>				
Cost of Material Consumed	2,601.35	2,812.61	4,267.42	4,301.71
Purchase of Traded Goods	-	-	-	-
Changes in Inventories of Finished Goods, Work-in Progress and Stock-in-Trade	59.06	(463.48)	454.71	(638.68)
Direct Manufacturing Expenses	891.01	1,172.55	934.75	566.85
Employee Benefit Expenses	74.68	124.23	70.31	418.99
Depreciation and Amortisation Expenses	202.25	205.18	159.13	119.59
Finance Costs	99.90	148.75	92.49	178.28
Other Expenses	91.10	164.53	177.70	169.58
<b>Total Expenses</b>	<b>4,019.35</b>	<b>4,164.36</b>	<b>6,156.51</b>	<b>5,116.33</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>	<b>(1,107.42)</b>	<b>(1,063.83)</b>	<b>(103.57)</b>	<b>95.49</b>
Exceptional Items	(21.04)	(73.43)	54.64	218.89
<b>Profit/(Loss) before tax</b>	<b>(1,128.47)</b>	<b>(1,137.27)</b>	<b>(48.94)</b>	<b>314.38</b>
Tax Expense	-	-	-	-
Deferred Tax	21.05	19.83	12.11	21.40
<b>Profit/(Loss) for the period from continuing operations</b>	<b>(1,149.51)</b>	<b>(1,157.10)</b>	<b>(61.05)</b>	<b>292.99</b>

Statement of Assets and Liabilities:

(Figures in Lakhs)

Particulars	For nine months period ended	For the Financial Year ended		
	December 31, 2023	FY 2022-2023	FY 2021-2022	FY 2020-2021
	(Un-Audited)	(Audited)	(Audited)	(Audited)
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	2,965.41	2,791.34	1,997.71	1,631.10
Capital work-in-progress	5.08	-	34.31	65.50
Financial Assets				
- Investments	4.94	4.94	4.94	4.94
- Loans	41.94	41.97	41.97	34.63
- Trade Receivables	116.00	39.66	36.81	21.91
- Other Financial Assets	57.43	47.93	45.52	34.02
<b>Total Non-Current Assets</b>	<b>3,190.79</b>	<b>2,925.85</b>	<b>2,161.26</b>	<b>1,792.10</b>
<b>Current Assets</b>				
Inventories	1,104.63	1,170.51	728.31	1,211.37
Financial Assets:				

Particulars	For nine months period ended	For the Financial Year ended		
	December 31, 2023	FY 2022-2023	FY 2021-2022	FY 2020-2021
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Inventories				
- Trade Receivables	956.85	1,015.97	157.59	161.03
- Cash and Cash Equivalents	0.31	1.75	7.15	36.50
- Other balances with Banks	-	8.87	8.42	8.00
- Loans	-	-	-	3.87
Other Current Assets	323.61	303.52	54.90	173.58
<b>Total Current Assets</b>	<b>2,385.41</b>	<b>2,500.62</b>	<b>956.37</b>	<b>1,594.37</b>
<b>Total Assets</b>	<b>5,576.20</b>	<b>5,426.47</b>	<b>3,117.63</b>	<b>3,386.47</b>
<b>Equity and Liabilities</b>				
Equity Share Capital	3,348.35	1,420.13	1,420.13	1,020.13
Other Equity	(6,240.15)	(6,040.13)	(4,883.04)	(4,821.99)
Money received against Share Warrants	56.25	-	-	-
<b>Total Equity</b>	<b>(2,835.55)</b>	<b>(4,620.00)</b>	<b>(3,462.91)</b>	<b>(3,801.86)</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities:				
- Borrowings	4,934.90	6,302.18	5,104.29	4,503.76
- Trade Payables				
- total outstanding dues of micro enterprises and small enterprises				
- total outstanding dues of creditors other than micro enterprises and small enterprises	324.99	306.51	273.43	534.67
Provisions	368.54	290.14	249.94	266.23
Deferred Tax Liabilities	186.99	165.94	146.11	134.00
<b>Total Non-Current Liabilities</b>	<b>5,815.43</b>	<b>7,064.77</b>	<b>5,773.77</b>	<b>5,438.65</b>
<b>Current Liabilities</b>				
Financial Liabilities				
- Borrowings	773.93	497.17	108.60	284.96
- Trade Payables	-	-	-	-
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,772.06	2,377.95	645.86	1,378.92
Provisions	48.13	52.21	11.73	8.73
Other Current Liabilities	2.21	54.38	40.59	77.07
<b>Total Current Liabilities</b>	<b>2,596.32</b>	<b>2,981.71</b>	<b>806.77</b>	<b>1,749.67</b>
<b>Total Liabilities</b>	<b>8,411.75</b>	<b>10,046.48</b>	<b>6,580.54</b>	<b>7,188.33</b>
<b>Total Equity and Liabilities</b>	<b>5,576.20</b>	<b>5,426.47</b>	<b>3,117.63</b>	<b>3,386.47</b>

*Other Financial Data:*

(Figures in Lakhs, Except EPS)

Particulars	For the Nine-months ended	As at		
	December 31, 2023	FY 2022-2023	FY 2021-2022	FY 2020-2021
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Net Worth	(2,835.55)	(4,620.00)	(3,462.91)	(3,801.86)
Dividend (%)	-	-	-	-
Earnings Per Share (₹)	(3.48)	(8.15)	(0.48)	2.87
Return on Net worth (%)	(40.54%)	(25.05%)	(1.76%)	7.71%
Book Value (₹)	(8.42)	(32.53)	(24.38)	(37.27)

5.22. There is no contingent liability as on March 31, 2024 of the Target Company.

**5.23. Pre- and Post-Offer Shareholding Pattern of the Target Company as on date of LoF are as follows:**

Sr. No.	Shareholders' Category	Equity Share Capital/ Voting Capital prior to SPA, MOU, Preferential Issue and Offer		Equity Share Capital/ Voting Capital agreed to be acquired which triggered off SEBI (SAST) Regulations, 2011		Equity Share Capital/ Voting Rights to be acquired in the Open Offer (assuming full acceptance)		Equity Share Capital/ Voting Rights after SPA, MOU, Preferential Issue and Offer	
		(A)		(B)		(C)		(D)	
		No.	% <sup>(ii)</sup>	No.	% <sup>(iii)</sup>	No.	% <sup>(iii)</sup>	No.	% <sup>(iii)</sup>
<b>(1)</b>	<b>Promoter Group</b>								
(a)	Parties to agreement, if any								
(i)	Mr. K. Raghavender Rao	8,00,000	2.39	(8,00,000)	(2.39)	Nil	N.A.	Nil	N.A.
(b)	Promoters other than (a) above	91,53,300	27.34	Nil	N.A.	Nil	N.A.	91,53,300	24.75
	<b>Total 1 (a+b)</b>	<b>99,53,300</b>	<b>29.73</b>	<b>(8,00,000)</b>	<b>(2.39)</b>	<b>Nil</b>	<b>N.A.</b>	<b>91,53,300</b>	<b>24.75</b>
<b>(2)</b>	<b>Acquirer</b>								
(a)	Mr. M V S Prasad Reddy	Nil	N.A.	94,52,600	25.56	96,16,000	26.00	1,90,68,600	51.56
(b)	Deemed PACs with the Acquirer	Nil	N.A.	3,00,000	0.81	Nil	N.A.	3,00,000	0.81
	<b>Total 2 (a+b)</b>	<b>Nil</b>	<b>N.A.</b>	<b>97,52,600</b>	<b>26.37</b>	<b>96,16,000</b>	<b>26.00</b>	<b>1,93,68,600</b>	<b>52.37</b>
<b>(3)</b>	<b>Parties to agreement other than (1) (a) &amp; (2)</b>	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
(a)	Qemiq Pharma Private Limited	39,52,600	11.80	(39,52,600)	(10.69)	Nil	N.A.	Nil	N.A.
(b)	Vustala Pushpalatha	30,00,000	8.96	(30,00,000)	(8.11)	Nil	N.A.	Nil	N.A.
	<b>Total (3) (a+b)</b>	<b>69,52,600</b>	<b>20.76</b>	<b>(69,52,600)</b>	<b>(18.80)</b>	<b>Nil</b>	<b>N.A.</b>	<b>Nil</b>	<b>N.A.</b>
<b>(4)</b>	<b>Public (other than parties to agreement, Acquirer &amp; PACs)</b>	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
(a)	FIs/MFs/FIIs/Banks, SFIs (Indicate names)	Nil	N.A.	Nil	N.A.	Nil	N.A.	Nil	N.A.
(b)	Others	1,65,77,600	49.51	15,00,000 <sup>(iv)</sup>	4.05	(96,16,000)	(26.00)	84,61,600	22.88
	<b>Total (4) (a+b)</b>	<b>1,65,77,600</b>	<b>49.51</b>	<b>15,00,000<sup>(iv)</sup></b>	<b>4.05</b>	<b>(96,16,000)</b>	<b>(26.00)</b>	<b>84,61,600</b>	<b>22.88</b>
	<b>GRAND TOTAL (1+2+3+4)</b>	<b>3,34,83,500</b>	<b>100.00</b>	<b>35,00,000</b>	<b>9.46</b>	<b>Nil</b>	<b>N.A.</b>	<b>3,69,83,500</b>	<b>100.00</b>

**Notes:**

<sup>(i)</sup> Total Number of Public Shareholders as on Identified Date are 9,954.

<sup>(ii)</sup> Calculated on the basis of existing paid-up capital prior to the issuance of equity shares.

<sup>(iii)</sup> Calculated on the basis of Emerging Voting Share Capital.

<sup>(iv)</sup> Equity Shares intended to be issued to the Non-Promoters by the Target Company upon conversion of 15,00,000 Warrants, which were allotted to them (10,00,000 to Mr. Devarapally Venkateswara Reddy and 5,00,000 to Mr. Bandi Satyanarayana Reddy) on April 26, 2023.

**5.24. Details of the Compliance Officer:**

**Name** : Ms. Dolly Mandhan  
**Registered Office** : Survey No 252/1, Aroor Village, Sadasivapet Mandal, Medak, Telangana -502291  
**Address**  
**Contact No.** : +91 08455 250080  
**E-Mail ID** : cs@oxgentapharma.com

**6. OFFER PRICE AND FINANCIAL ARRANGEMENTS**

**6.1. JUSTIFICATION OF OFFER PRICE**

**6.1.1.** The Equity Shares of the Target Company are presently listed on BSE Limited, Mumbai ("BSE") having Scrip Code as 524636 and Symbol: OXYGENTAPH). The ISIN of the Target Company is INE102E01018.

**6.1.2.**The annualized trading turnover of the Equity Shares of the Target Company during Twelve (12) calendar months preceding the month of PA (April 2023 to March 2024) on the Stock Exchange on which the Equity Shares of the Target Company are traded is detailed below:

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Weighted Average No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
BSE Limited	24,34,464	3,20,43,356	7.59%

(Source: www.bseindia.com)

**6.1.3.**The Equity Shares of the Target Company are infrequently traded on BSE during the twelve (12) calendar months preceding the month in which PA was made as set out under Regulation 2(1) (j) of SEBI (SAST) Regulations, 2011.

**6.1.4.**The details of the closing market price of the shares of the Target Company is given hereunder:

Sr. No.	Event	Date	BSE (₹)
1)	Day of the Public Announcement	April 08, 2024	35.84
2)	Day just after the Public Announcement	April 09, 2024	37.63

**6.1.5.**The Offer Price of ₹16 is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011 on the basis of the following:

Sr. No.	Particulars	Amount in ₹
1)	Negotiated Price as per SPA	: ₹15.00
2)	Negotiated Price as per MOU	: ₹15.00
3)	Issue and Allotment of Equity Shares in the Preferential Issue	: ₹16.00
4)	The volume-weighted average price paid or payable per Equity Share for acquisition by the Acquirer, during 52 weeks immediately preceding the date of Public Announcement	: N.A.
5)	The highest price paid or payable for any acquisition by the Acquirer, during 26 weeks immediately preceding the date of the Public Announcement	: N.A.
6)	The volume-weighted average market price of Equity Shares of the Target Company for a period of sixty (60) trading days immediately preceding the date of PA as traded on BSE, being the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period and the shares are infrequently traded	: N.A.
7)	Where the shares are not frequently traded, the price determined by the Valuer taking into account Valuation Parameters per Equity Share including Book Value, Comparable Trading Multiples and such other parameters as are customary for Valuation of Equity Shares	: ₹15.86

N.A. - Not Applicable.

The Fair Value per Equity Share of the Target Company is ₹15.86 as certified by A Someswara Rao, Registered Valuer (Registration No.: IBBI/RV/02/2019/11544) having office at Flat No. 301, Wayside Residency, Tirumala Hills Colony, Manikonda, Hyderabad-500089, vide certificate dated April 08, 2024. His Contact No. is +91 9394690760 and Email IDs are somesha2000@gmail.com and somesh\_a2000@yahoo.com.

**6.1.6.**In view of the parameters considered and presented in the table above and in the opinion of the Acquirer and Manager to the Offer, the Offer Price of ₹16 per Equity Share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.

**6.1.7.**There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

**6.1.8.**As on the date, there is no revision in the Offer Price or Offer Size. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may also be done at any time prior to the commencement of 1 (one) Working Day before the commencement of the tendering period of this Offer in accordance Regulation 18(4) of the SEBI (SAST) Regulations, 2011. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations, 2011. In the event of such

revision, the Acquirer shall: (i) make corresponding increase to the escrow amount (ii) make an announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously notify to BSE, the SEBI and the Target Company at its registered office of such revision.

- 6.1.9.** If the Acquirer acquire or agrees to acquire any Equity Shares or Voting Rights of the Target Company during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition in terms of Regulation 8(8) of SEBI (SAST) Regulations, 2011, provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. Further, in accordance with Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations, 2011, in case of an upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, the Acquirer shall (i) make public announcement in the same newspapers in which this DPS has been published; and (ii) simultaneously notify to SEBI, BSE and the Target Company at its Registered Office. Such revision would be done in compliance with other formalities prescribed under SEBI (SAST) Regulations, 2011.
- 6.1.10.** If the Acquirer acquires equity shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another Open Offer under SEBI (SAST) Regulations, 2011, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021, as amended, or open market purchases made in the ordinary course on the Stock Exchange, not being negotiated acquisition of shares of the Target Company in any form.

## **6.2. DETAILS OF FIRM FINANCIAL ARRANGEMENTS**

- 6.2.1.** The total funds required for the implementation of the Offer (assuming full acceptance), i.e., for the acquisition of 96,16,000 fully paid-up Equity Shares having face value of ₹10 each at a price of ₹16 per Equity Share is ₹15,38,56,000 (“**Maximum Consideration**”).
- 6.2.2.** In accordance with Regulation 17 of SEBI (SAST) Regulations, 2011 the Acquirer has opened a Cash Escrow Account under the name and style of “**OPL-OPEN OFFER-ESCROW ACCOUNT**” (“**Escrow Account**”) with Axis Bank Limited (“**Escrow Banker**”) bearing account number 924020021092003 and deposited an amount of ₹4,25,00,000, in cash, being 27.62% of the Maximum Consideration. The Acquirer has authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the Regulations. The cash deposit in the Escrow Account has been confirmed vide Certificate dated April 15, 2024 issued by the Escrow Banker.
- 6.2.3.** The Acquirer has adequate financial resources and have made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011. The Open Offer obligation shall be met by the Acquirer through their own resources and no borrowings from any bank and/or financial institution are envisaged. CA S. Siva Parvathi (Membership No.: 226087), Proprietor, M/s S. Siva Parvathi & Associates, Chartered Accountants (FRN: 020872S), having her office at #202, 2nd Floor, Pavani Annexe, Road Number 2, Banjara Hills, Hyderabad, Telangana-500 034. Contact No. is +91 80084 65990 and Email ID is parvathitagore@gmail.com has certified vide certificate dated April 08, 2024 that sufficient resources are available with the Acquirer for fulfilling the obligations under this ‘Offer’ in full.
- 6.2.4.** Based on the above, the Manager to the Offer is satisfied about the (i) about the adequacy of resources to meet the financial requirements of the Offer and the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations, 2011; and (ii) that firm arrangements for payment through verifiable means are in place to fulfil the Offer obligations.

## **7. TERMS AND CONDITIONS OF THE OFFER**

### **7.1. OPERATIONAL TERMS AND CONDITIONS**

- 7.1.1.** This Offer is being made by the Acquirer to (i) all the Eligible Shareholders, whose names appear in the register of members of the Target Company as on the Identified Date i.e. Thursday, July 25, 2024; (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date i.e. Thursday, July 25, 2024; and (iii) those persons who

acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer, i.e. Thursday, August 22, 2024 but who are not the registered Equity Shareholders.

- 7.1.2.**This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.
- 7.1.3.**The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Eligible Shareholders shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
- 7.1.4.**The LoF along with Transfer Deed will be dispatched to all the Eligible Equity Shareholders as on the Identified Date whose email ids are not registered with the Depositories and/or the RTA. Further, the LoF along with Transfer Deed will be sent through electronic mail to all the Eligible Equity Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the RTA. In case of non-receipt of the LOF, such shareholders may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.
- 7.1.5.**Neither the Acquirer, nor the Manager to the Offer or the Registrar to the Offer accepts any responsibilities in any manner for any loss of Equity Share Certificate(s), Share transfer forms and any other Offer acceptance documents, etc. during transit and Eligible Shareholders are advised to adequately safeguard their interest in this regard.
- 7.1.6.**Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such Equity Shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Offer.
- 7.1.7.**Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.
- 7.1.8.**In terms of Regulation 18(9) of the SEBI (SAST) Regulations, 2011, the Eligible Shareholders who tendered their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

## **7.2. LOCKED-IN SHARES**

As on date, the Target Company does not have any Equity Shares under lock-in, except for the equity shares held by Mr. K Raghavender Rao along with other existing promoters namely Ms. Snigdha Vankineni, Mr. Sumanth Simha Vankineni, Mr. Sunil Vishram Chawda, Mr. Manoj Sunil Chawda, Ms. Aakanksha M Chawda, which are under lock-in up to January 15, 2025 and the shares held by the Promoter Seller (Mr. K Raghavender Rao) will be transferred, subject to the continuation of the residual lock-in period, in the hands of the Acquirer, post completion of the Open Offer formalities. Further, the equity shares allotted to the Acquirer and the Deemed PACs on preferential allotment basis is under lock-in up to January 19, 2026 as per SEBI (ICDR) Regulations, 2018.

## **7.3. ELIGIBILITY FOR ACCEPTING THE OFFER**

- 7.3.1.**This Offer is being made by the Acquirer to (i) all the Eligible Shareholders, whose names appear in the register of members of the Target Company as on the Identified Date i.e. Thursday, July 25, 2024; (ii) the Beneficial Owners of the Equity Shares whose names appear as beneficiaries on the records of the respective depositories, as of the close of business on the Identified Date i.e. Thursday, July 25, 2024; and (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer, i.e. Thursday, August 22, 2024, but who are not the registered Equity Shareholders.
- 7.3.2.**Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

- 7.3.3.**The PA, DPS and the LoF shall also be available on the website of SEBI i.e., [www.sebi.gov.in](http://www.sebi.gov.in). In case of non-receipt of the Letter of Offer, all Equity Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer from the website of SEBI for applying in the Offer.
- 7.3.4.**By accepting this offer, the Eligible Shareholders confirm that they are not Persons Acting in Concert with the Acquirer for the purpose of this Offer.
- 7.3.5.**The acceptance of this Offer by the Equity Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever and should be received by the Registrar to the Offer at the address mentioned in this LoF on or before the closure of the Tendering Period i.e., Thursday, August 22, 2024.
- 7.3.6.**The Acquirer reserves the right to revise the Offer Price and/or the Offer Size upwards at any time prior to commencement of one (1) working day before the commencement of the Tendering Period i.e., Tuesday, August 06, 2024, in accordance with SEBI (SAST) Regulations, 2011 and the revision, if any, in the Offer Price would be announced in the Newspapers. The Acquirer would pay such revised price for all the shares validly tendered during the Tendering Period and accepted under the Offer in accordance with the terms of the LoF.
- 7.3.7.**The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 7.3.8.**SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 has clarified that shareholders holding securities in physical form are also allowed to tender shares in the Open Offers. However, such tendering shall be as per the provisions of SEBI (SAST) Regulations, 2011.

#### **7.4. STATUTORY APPROVALS**

- 7.4.1.**As on date, to the best of the knowledge of the Acquirer, there are no Statutory Approvals required by the Acquirer to complete the underlying transaction and this Open Offer. In case, if any Statutory Approval(s) are required or become applicable at a later date before the closure of the Tendering Period, the Offer shall be subject to the receipt of such Statutory Approval(s). The Acquirer shall make the necessary applications for such Statutory Approvals. In the event of non-receipt of any of such Statutory Approvals which may become applicable for the purchase of the Equity Shares under this Offer, the Acquirer shall have the right to withdraw the Offer in accordance with the provisions of Regulation 23(1) of the SEBI (SAST) Regulations, 2011.

In the event of withdrawal of this Offer, for reasons outside the reasonable control of the Acquirer, a Public Announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which this DPS has been published and copy of such Public Announcement will also be sent to SEBI, BSE and to the Target Company at its Registered Office.

- 7.4.2.**In case of delay in receipt of any Statutory Approval(s), pursuant to Regulations 18(11) of SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that delay in receipt of requisite Statutory Approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, may grant an extension of time for the purpose of the completion of this Offer, subject to Acquirer agreeing to pay interest for the delayed period, provided where the Statutory Approval(s) extend to some but not all Equity Shareholders, the Acquirer has the option to make payment to such Shareholders in respect of whom no Statutory Approval(s) are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirer in obtaining any Statutory Approval(s) in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with pursuant to Regulation 17(10)(e) of SEBI (SAST) Regulations, 2011.
- 7.4.3.**NRI and OCB holders of the Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them in this Offer (including, without limitation, an approval from the RBI, since the Equity Shares validly tendered in this Offer will be acquired by a non-resident entity), and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, FIIs, FPIs) had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit copies of such previous approvals,

along with the other documents required to be tendered to accept this Offer. If such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered pursuant to this Offer.

7.4.4.No approval is required from any bank or financial institutions for this Offer.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

8.1. The Acquirer has appointed Venture Capital and Corporate Investments Private Limited as the Registrar to the Offer.

8.2. The Registrar would be accepting the documents by Hand Delivery/Regd. Post/Speed Post/Courier at the following specified centre:

Name & Address	Contact Person	Mode of Delivery
<b>Venture Capital and Corporate Investments Private Limited</b> CIN: U65993TG1986PTC006936 Aurum, Plot No. 57, 5 <sup>th</sup> Floor, Jayabheri Enclave, Phase-II, Gachibowli, Hyderabad-500 032. Telangana. India. <b>Tel. No.:</b> +91 40 2381 8475 / 76 <b>Email ID:</b> pvsrinivas@vccipl.com <b>Investor Grievance Email ID:</b> investor.relations@vccipl.com <b>Contact Person:</b> Mr. P. V. Srinivasa Rao <b>Website:</b> www.vccipl.com <b>SEBI Reg. No.:</b> INR000001203	Mr. P. V. Srinivasa Rao	Hand Delivery / Registered Post / Speed Post / Courier

8.3. The Target Company is having connectivity with Central Depository Services (India) Limited (“**CDSL**”) and National Securities Depositories Limited (“**NSDL**”).

8.4. This Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by BSE in the form of a separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations, 2011 and SEBI Circular No. CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 .as amended via Circular No. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and notices/guidelines issued by BSE and the Clearing Corporation in relation to the mechanism/process for acquisition of shares through stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time.

8.5. BSE Limited, Mumbai (“**BSE**”) shall be the Stock Exchange for the purpose of tendering the Equity shares in the Open Offer.

8.6. The Acquirer has appointed S W Capital Private Limited (“**Buying Broker**”) for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made.

The Contact Details of the Buying Broker are mentioned below:

### **S W Capital Private Limited**

4<sup>th</sup> Floor, Sunteck Centre, 37/40, Subhash Road, Near Garware House, Vile Parle (E), Mumbai-400 057, Maharashtra.

**Tel No.:** + 91 22 4268 7439

**Contact Person:** Mr. Hemant Shah

**Email ID:** hemant.shah@swcapital.in

**SEBI Registration No.:** INZ 230013039 (NSE) / INZ 010013035 (BSE)

8.7. All the Shareholders who desire to tender their Equity Shares under the Open Offer should consult with their respective depository participants and their respective Stock Brokers (“**Selling Broker**”) well in advance to understand the process and methodology in relation to tendering of Equity Shares through the Designated Stock Exchange.

8.8. During the Tendering Period, the tender of the Equity Shares by the Equity Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.



**8.9.** Separate Acquisition window will be provided by the Stock Exchange to facilitate placing of Sell Orders. The Selling Members can enter Orders for Demat Shares as well as Physical Shares.

**8.10.** The cumulative quantity tendered shall be updated on the website of the Designated Stock Exchange throughout the trading session at specific intervals by the Stock Exchange during tendering period.

**8.11. Procedure for tendering Equity Shares in Demat Form:**

**8.11.1.** The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their Stock Broker/Selling Member indicating details of Shares they wish to tender in the Open Offer.

**8.11.2.** The Equity Shareholders are required to transfer, through their respective depository participants, the Equity Shares intended to be tendered to the early pay-in account of the Indian Clearing Corporation Limited (hereinafter referred to as 'Clearing Corporation'). Such Equity Shareholders shall provide early pay-in of demat Equity Shares (except for custodian participant orders) to the Clearing Corporation using the settlement number provided in the Offer opening circular before their respective Selling Broker places the bids / orders on their behalf and the same shall be validated at the time of order entry.

**8.11.3.** Shareholders will have to submit Delivery Instruction Slips ("DIS") duly filled in specifying market type as "Open Offer" and execution date along with other details to their respective broker so that Equity Shares can be tendered in Open Offer.

**8.11.4.** For Custodian participant order for demat Equity Shares, early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

**8.11.5.** Upon placing the bid, the Seller Member(s) shall provide Transaction Registration Slip ("TRS") generated by the Exchange Bidding System to the Shareholders. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.

**8.11.6.** In case of receipt of Equity Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted.

**8.11.7.** The Eligible Persons will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to pro-rata acceptance in the Open Offer.

**8.12. Procedure for tendering Equity Shares held in Physical Form:**

**8.12.1.** The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below:

- (a) Original share certificate(s)
- (b) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the RTA and duly witnessed at the appropriate place.
- (c) Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all Transferors)
- (d) Any other relevant document such as Power of Attorney, corporate authorization (including Board Resolution/Specimen Signature)
- (e) Self-attested copy of address proof such as valid Aadhar Card, Voter ID, Passport, etc.

**8.12.2.** The Seller Member should place bids on the Exchange Platform with relevant details as mentioned on Physical Share Certificate(s). The Seller Member(s) shall print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No., Dist. Nos., No. of shares, etc.

**8.12.3.** The Seller Member/Eligible Shareholder must deliver the Share Certificates & other requisite documents along with TRS to the RTA. Physical Share Certificates to reach RTA within two (2) days of bidding by Seller Member.

**8.12.4.** Shareholders holding Physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.

**8.12.5.** In case, any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closing Date.

#### **8.12.6. Acceptance of Equity Shares**

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

In the event that the number of Equity Shares (including demat shares, physical) validly tendered by the Eligible Equity Shareholders under this Offer is more than the number of Equity Shares offered, the Acquirer shall accept those Equity Shares validly tendered by the Eligible Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Eligible Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

#### **8.13. Procedure for tendering the shares in case of non-receipt of Letter of Offer:**

Persons who have acquired Equity Shares but whose names do not appear in the Register of Members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

*In case the Equity Shares are in dematerialised form:*

An Eligible Person may participate in the Offer by approaching Stock Broker/Selling Member and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer.

*In case the Equity Shares are in Physical form:*

An Eligible Persons may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, DPS and the Letter of Offer. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in this Letter of Offer) should reach the Registrar of the Company before 5:00 PM on the Closing Date. If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer.

**In case of non-receipt of the Letter of Offer, such Equity Shareholders of the Target Company may download the same from the website of SEBI i.e., [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.**

#### **8.14. Settlement Process**

**8.14.1.** On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the account of Clearing Corporation.

**8.14.2.** The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

- 8.14.3.** The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Equity Shareholders will receive funds pay-out directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, in the event that the pay-outs are rejected by the Equity Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Brokers' settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- 8.14.4.** In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 8.14.5.** Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Equity Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned back to the Equity Shareholders directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new consolidated Share Certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Target Company are less than the Equity Shares tendered in the Open Offer by the Equity Shareholders holding Equity Shares in the physical form.
- 8.14.6.** Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the escrow account which is opened by the Acquirer.
- 8.14.7.** Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholders directly by Registrar to the Offer.
- 8.14.8.** Shareholders who intend to participate in the Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Selling Shareholder.
- 8.15.** Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'No Objection Certificate' from lenders is attached.
- 8.16.** The LoF would also be available on the website of SEBI i.e., [www.sebi.gov.in](http://www.sebi.gov.in).
- 8.17.** The LoF along with Transfer Deed will be dispatched to all the Eligible Equity Shareholders as on the Identified Date whose email ids are not registered with the Depositories and/or the RTA. Further, the LoF along with Transfer Deed will be sent through electronic mail to all the Eligible Equity Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the RTA. In case of non-receipt of the LOF, such shareholders may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

### **8.18. Settlement of Funds/Payment Consideration**

- 8.18.1.** The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.
- 8.18.2.** For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds pay-out to respective Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer

instruction are rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

- 8.18.3.** The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder/Selling Broker/Custodian participant will receive funds pay-out in their settlement bank account.
- 8.18.4.** The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder/Selling Broker(s)/Custodians as per secondary market pay out mechanism.
- 8.18.5.** Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.
- 8.18.6.** In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of SEBI (SAST) Regulations, 2011.

## **9. NOTE ON TAXATION / COMPLIANCE WITH TAX REQUIREMENTS**

**THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 (AS AMENDED BY FINANCE ACT, 2022), THE REGULATIONS THEREUNDER AND THE FINANCE BUDGET OF 2024.**

**THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.**

**THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS.**

**THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.**

**THE IMPLICATIONS ARE ALSO DEPENDENT ON THE ELIGIBLE EQUITY SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, ELIGIBLE EQUITY SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.**

**THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, ELIGIBLE EQUITY SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.**

**THE SUMMARY ON TAX CONSIDERATIONS IN THIS SECTION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES. THE LAW STATED BELOW IS AS PER THE INCOME-TAX ACT, 1961.**

#### **9.1. General:**

##### **(a) STT**

- (i) As the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to STT. STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% of the value of security transacted.

##### **(b) Income Tax**

- (i) The basis of charge of Indian Income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act.
- (ii) A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e., income which is received or deemed to be received or accrues or arises or deemed to accrue or arise in India). In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- (iii) Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.
- (iv) Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instruments ("MLI") as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of GAAR and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- (v) The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- (vi) The shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income tax authorities, reporting their income for the relevant year.
- (vii) The summary of income-tax implications on tendering of listed Equity Shares on the recognised stock exchange in India is set out in the succeeding paras. All references to Equity Shares herein refer to listed Equity Shares unless stated otherwise.

#### **9.2. Classification of Shareholders:**

Eligible Equity Shareholders can be classified under the following categories:

- (a) Resident Shareholders being:
  - (i) Individuals, Hindu Undivided Family (“HUF”), Association of Persons (“AOP”) and Body of Individuals (“BOI”)
  - (ii) Others
    - Company
    - Other Than Company
- (b) Non-Resident Shareholders being:
  - (i) Non-Resident Indians (NRIs)
  - (ii) Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
  - (iii) Others:
    - Company
    - Other Than Company

### 9.3. Classification of Income:

Shares can be classified under the following two categories:

- (i) Shares held as investment (Income from transfer of such shares taxable under the head “Capital Gains”.
- (ii) Shares held as stock-in-trade (Income from transfer of such shares taxable under the head “Profits and Gains from Business or Profession”). As per the current provisions of the IT Act, unless specifically exempted, gains arising from the transfer of shares may be treated either as “Capital Gains” or as “Business Income” for income-tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e., stock-in-trade). Shareholders may also refer to Circular No.6/2016 dated February 29, 2016 issued by the Central Board of Direct Taxes (CBDT) in this regard.

### 9.4. Shares held as investment: As per the provisions of the IT Act, where the shares are held as investments (i.e., capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”.

Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains.

Capital gains in the hands of shareholders would be computed as per provisions of section 48 of the IT Act and the rate of income-tax would depend on the period of holding.

### 9.5. Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short term capital gain/STCG” or “long-term capital gain/LTCG”:

- (i) In respect of Equity Shares held for a period less than or equal to 12 months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“STCG”).
- (ii) Similarly, where Equity Shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“LTCG”).

### 9.6. Tendering of Shares in the Offer through a Recognized Stock Exchange in India:

- (i) As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding Rupees One Lakh Twenty Five Thousand will be taxed at a rate of 12.50% provided the same has been subjected to STT, upon acquisition and sale.
- (ii) LTCG that arise on shares purchased prior to February 01, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018 as per Section 55 of IT Act.

For computing capital gains under the grandfathering regime, the cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.

- (iii) LTCG, as computed u/s. 112A, will not be liable to tax to the extent not exceeding ₹1,25,000 (Rupees One Lakh Twenty Five only).

Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.

- (iv) Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the Equity Shares):

- LTCG will be chargeable to tax at the rate of up to at the applicable rates% (plus applicable surcharge and health and education cess) in the case of a non-resident Public Shareholder (other than an FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
- In the case of FIIs/FPIs, LTCG would be taxable at the applicable rates (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
- For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable under Section 115E of the IT Act on meeting certain conditions..
- For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20.00% (plus applicable surcharge and cess) with indexation or 12.50% (plus applicable surcharge and health and education cess) without indexation. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG.
- Long term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.

- (v) As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @20.00% under section 111A of the IT Act. Further, no deduction under Chapter VIA would be allowed in computing STCG subject to tax under Section 111A of the IT Act.

- (vi) In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.

- (vii) Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 20.00%.

- (viii) As per Section 70 of the IT Act, short term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.

- (ix) Non-resident shareholder can avail benefits of the DTAA between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed under

the relevant DTAA read with MLI as may be in effect, and non-applicability of GAAR and providing and maintaining necessary information and documents as prescribed under the IT Act.

- (x) As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

### 9.7. Investment Funds

Under Section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head “Profits and gains of business or profession” would be exempt from income-tax on fulfilment of certain conditions specified therein. For this purpose, an “Investment Fund” means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

### 9.8. Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorised by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

### 9.9. Shares held as Stock-in-Trade:

- (i) If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession”
- (ii) Resident Shareholders  
Profits of:
- Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
  - Domestic companies having turnover or gross receipts not exceeding ₹400 crore in the relevant financial year as prescribed will be taxable. @ 25%.
  - Domestic companies which have opted for concessional tax regime under Section 115BAA will be taxable at 22%.
  - For persons other than stated above, profits will be taxable at the applicable rates.
  - No benefit of indexation by virtue of period of holding will be available in any case.
- (iii) Non-Resident Shareholders: Non-resident shareholders can avail beneficial provisions of the applicable DTAA, read with the MLI, entered into between India and the respective country of which the said shareholder is tax resident, subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.
- (iv) Where DTAA provisions are not applicable:
- No benefit of indexation by virtue of period of holding will be available in any case.
  - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.
  - For foreign companies, profits would be taxed in India at the applicable rates.
  - For other non-resident shareholders, such as foreign firms, profits would be taxed in India at the applicable rates.
- (v) **Other Matters:** Further, the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders (other than resident company which has opted for concessional tax regime under Section 115BAA or Section 115BAB of the IT Act). Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India under Sections 90/90A of the IT Act and such foreign company does not have a permanent establishment in India in terms of the DTAA. In case where the said conditions are not satisfied, MAT will be applicable to the foreign company. In case of non-



corporate shareholders, applicability of the provisions of Alternative Minimum Tax as per Section 115JC of the IT Act will also need to be analysed depending on the facts of each case.

#### **9.10. Tax Deduction at Source**

(i) Resident Shareholders: In absence of any specific provision under the IT Act, the Acquirer is not required to deduct tax on the consideration payable to the shareholders pursuant to Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India.

(ii) Non-Resident Shareholders:

(a) **In case of FIIs:** Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs/FPIs, subject to fulfilment of the following conditions:

- FIIs/FPIs furnishing the copy of the registration certificate issued by SEBI (including for subaccount of FII/FPI, if any);
- FIIs/FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations and will be liable to pay tax on their income as per the provisions of the IT Act.
- If the above conditions are not satisfied, FIIs/FPIs may submit a valid and effective certificate for deduction of tax at a nil/lower rate issued by the income tax authorities under the IT Act (“TDC”), along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer shall deduct tax in accordance with such TDC.

(b) **In case of non-resident tax payer (other than FIIs):**

Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act read with the provisions of the relevant DTAA and MLI, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard.

**9.11.** However, the Acquirer will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirer to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer to the non-resident shareholders.

**9.12.** Since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. The Acquirer believes that the responsibility of withholding/ discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.

**9.13.** In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer is entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

#### **9.14. Remittance/Payment of Interest:**

(i) In case of interest, if any, paid by the Acquirer to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011 or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, 2011, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments. In the event, the Acquirer decides to withhold tax,

the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorisation of the interest, whether as capital gains or as other income). In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer should be indemnified.

- (ii) The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

**9.15. Rate of Surcharge and Cess:** As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable. Summary of the same is provided below:

Surcharge:

- (i) In case of domestic companies:

Surcharge @ 12% is leviable where the total income exceeds ₹10 crore and @ 7% where the total income exceeds ₹1 crore but less than ₹10 crore for companies not opting for tax regime u/s. 115BAA and 115BAB.

In case of domestic companies which are liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable.

- (ii) In case of companies other than domestic companies:

Surcharge @ 5% is leviable where the total income exceeds ₹10 crore.

Surcharge @ 2% where the total income exceeds ₹1 crore but less than ₹10 crore.

- (iii) In case of individuals, HUF, AOP, BOI:

Surcharge at the rate of 10% is leviable where the total income exceeds ₹50 lakh but does not exceed ₹1 crore.

Surcharge at the rate of 15% is leviable where the total income exceeds ₹1 crore but does not exceed ₹2 crore.

Surcharge at the rate of 25% is leviable where the total income exceeds ₹2 crore but does not exceed ₹5 crore.

Surcharge at the rate of 25.00% is leviable where the total income exceeds ₹5 crore. However, the surcharge at the rate 37.00% is leviable under the old tax regime.

- (iv) In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds ₹1 crore. Health and Education Cess @ 4% is currently leviable in all cases.

**THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.**

Note: The CBDT has vide Notification No. 9/2014 dated January 22, 2014 notified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (FPI) Regulations, 2014 as FII for the purpose of Section 115AD of the IT Act.

## 10. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Eligible Equity Shareholders at the registered office of the Manager to the Offer at Mark Corporate Advisors Private Limited, 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off Western Express Highway, Vile Parle (East), Mumbai-400 057, between 10:30 AM and 3:00 PM on any Working Day (except Saturdays, Sundays and public holidays) during the period from the date of commencement of the Tendering Period until the date of closure of the Tendering Period. Copies of these documents will be available for inspection to the Eligible Equity Shareholders electronically during the Tendering Period. The Eligible Equity Shareholders interested to inspect any of the following documents can send an email from their registered email ids (including shareholding details and authority letter in the event the Eligible Equity Shareholder is a corporate body) with a subject line "OPL-Open Offer-Documents for Inspection", to the Manager of the Offer at [openoffer@markcorporateadvisors.com](mailto:openoffer@markcorporateadvisors.com) and upon receipt and processing of the received request, access can be provided to the respective Eligible Equity Shareholders for electronic inspection of documents:

- 1) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- 2) Copy of Share Purchase Agreement dated April 08, 2024 entered between the Acquirer and the Promoter Seller.
- 3) Copy of Memorandum of Understanding dated April 08, 2024 entered between the Acquirer and the Non-Promoter Sellers and copy of Supplementary Memorandum of Understanding dated June 29, 2024.
- 4) Un-Audited Financials for the nine months period ended on December 31, 2023 and Audited Financials for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 of the Target Company.
- 5) Net worth Certificate issued by CA S. Siva Parvathi (Membership No.: 226087) vide certificate dated April 08, 2024, certifying the Net worth of the Acquirer.
- 6) Certificate issued by CA S. Siva Parvathi, (Membership No.: 226087) vide certificate April 08, 2024, certifying that the Acquirer has firm and adequate financial resources to meet the financial obligations under the Open Offer.
- 7) Valuation Report issued by CA A Someswara Rao, Registered Valuer (Registration No.: IBBI/RV/02/2019/11544) vide report dated April 08, 2024.
- 8) Memorandum of Understanding dated April 06, 2024 between Lead Manager i.e., Mark Corporate Advisors Private Limited and the Acquirer.
- 9) Letter from Axis Bank Limited dated April 15, 2024 confirming the balance of ₹4,25,00,000 in the Cash Escrow Account.
- 10) Due Diligence Certificate dated April 25, 2024 submitted to SEBI by Mark Corporate Advisors Private Limited, Manager to the Offer.
- 11) Undertaking from the Acquirer for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all the Shareholders of the Target Company whose applications are accepted in the Open Offer.
- 12) Undertaking from the Acquirer with regard to Responsibility under Regulation 2(o) and Regulation 7(4) of SEBI (SAST) Regulations, 2011.
- 13) Copies of the Public Announcement ("PA") dated April 08, 2024 and a published copy of Detailed Public Statement ("DPS") which appeared in the newspapers on April 18, 2024.
- 14) A copy of the Recommendations to be published on or before Monday, August 05, 2024 made by the Board of Independent Directors of the Target Company as required in terms of Regulation 26(7) of the SEBI (SAST) Regulations, 2011.
- 15) A copy of the Offer Opening Public Announcement and any other corrigendum to be published on or before Wednesday, August 07, 2024 as required in terms of SEBI (SAST) Regulations, 2011.
- 16) Copy of the Observation Letter no SEBI/HO/CFD-RAC-DCR1/P/OW/2024/23611/1 dated July 23, 2024 issued by SEBI.

## **11. DECLARATION BY THE ACQUIRER**

The Acquirer, accepts full responsibility, for the information contained in this LoF and also for ensuring the compliance with the obligations of the Acquirer as laid down in SEBI (SAST) Regulations, 2011.

I, the Acquirer, have made all reasonable inquiries, accept responsibility and confirm that this LoF is in compliance with SEBI (SAST) Regulations, 2011, and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this LoF are true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Manager to the Offer hereby states that the persons signing this LoF is the Acquirer:

**For and on behalf of the Acquirer**

**Sd/-**

\_\_\_\_\_  
**M V S Prasad Reddy**  
(“Acquirer”)

**Date** : July 27, 2024

**Place** : Tirupati

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this Form with enclosures to Registrar to the Offer, Venture Capital and Corporate Investments Private Limited, at their address given in the LoF as per the mode of delivery mentioned in the LoF)*

<b>OFFER OPENS ON</b>	<b>:</b>	Thursday, August 08, 2024
<b>OFFER CLOSES ON</b>	<b>:</b>	Thursday, August 22, 2024

Name:

Address:

Folio No.:

Tel No:

Sr. No.:

Fax No

No. of Shares Held:

E-Mail ID:

To,

**The Acquirer**

C/o Venture Capital and Corporate Investments Private Limited

Aurum, Plot No. 57, 5<sup>th</sup> Floor, Jayabheri Enclave, Phase-II,

Gachibowli, Hyderabad-500 032, Telangana. India.

**Tel. No.:** +91 40 2381 8475 / 76

**Investor Grievance Email ID:** investor.relations@vccipl.com

Dear Sir,

**Sub: Open Offer for acquisition of up to 96,16,000 Equity Shares of face value of ₹10 each fully paid-up, representing 26.00% of the Emerging Voting Share Capital of Oxygenta Pharmaceutical Limited (“OPL”/“Target Company”) from all the Eligible Equity Shareholders of the Target Company, by Mr. M V S Prasad Reddy (“Acquirer”) at a price of ₹16 per Equity share, payable in cash, pursuant to and in compliance with Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“SEBI (SAST) Regulations, 2011”).**

I/We refer to the Letter of Offer dated July 27, 2024 for acquiring the Equity Shares held by me/us in Oxygenta Pharmaceutical Limited (“OPL”/“Target Company”).

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold shares, accept the offer and enclose the original Share certificate (s) and duly signed transfer deed (s) in respect of my/our Shares as detailed below:

**DETAILS OF SHARES CERTIFICATE**

Sr. No.	Certificate No.	Distinctive No(s)		Number of Shares
		From	To	
1)				
2)				
3)				
<b>Total Number of Equity Shares</b>				

*(In case of insufficient space, please use additional sheet and authenticate the same)*

**SHARES HELD IN DEMATERIALIZED FORM**

Sr. No.	DP Name	DP ID	Client ID	No. of Shares

I / We confirm that the equity shares which are being tendered herewith by me / us under this Offer, are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter and that I/ We have obtained any necessary consents to sell the equity shares on the foregoing basis.

I / We also note and understand that the obligation on the Acquirer to pay the purchase consideration arises only after verification of the certification, documents and signatures submitted along with this Form of Acceptance-cum-Acknowledgment.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of equity shares under Income Tax Act, 1961. I/We are not debarred from dealing in equity shares.

I / We authorize the Acquirer to accept the Shares so offered which they may decide in terms of the Offer Letter and I / We further authorize the Acquirer to return to me/us, Equity Share certificate(s) in respect of which the Offer is not found valid / not accepted, specifying the reasons thereof.

I / We authorize the Acquirer or the Registrar to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

Yours faithfully,  
Signed and Delivered:

	Full Name(s)	PAN NO.	Signature(s)
<b>First / Sole Holder</b>			
<b>Second Shareholder</b>			
<b>Third Shareholder</b>			

**Note:** In case of joint holdings, all holders must sign. A corporation / Company must affix its common seal.  
Address of First/Sole Shareholder: \_\_\_\_\_

Place: \_\_\_\_\_ Date: \_\_\_\_\_

So as to avoid fraudulent encashment in transit, Shareholders(s) may provide details of bank account of the first / sole Shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank _____	Branch _____
Account Number _____	
Savings / Current / Other (Please Specify) _____	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
In case of NECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank)	
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	
In the case of RTGS/NEFT, 11-digit IFSC code	
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	

**Please enclose cancelled cheque and copy of PAN card**

-----TEAR ALONG THIS LINE-----

**All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address quoting your reference Folio No.:**

**Venture Capital and Corporate Investments Private Limited**  
 CIN: U65993TG1986PTC006936  
 Aurum, Plot No. 57, 5<sup>th</sup> Floor, Jayabheri Enclave, Phase-II,  
 Gachibowli, Hyderabad-500 032, Telangana. India.  
**Tel. No.:** +91 40 2381 8475 / 76  
**Email ID:** investor.relations@vccipl.com  
**Contact Person:** Mr. P. V. Srinivasa Rao  
**Website:** www.vccipl.com  
**SEBI Reg. No.:** INR000001203

**Acknowledgement Slip Sr. No.** \_\_\_\_\_

Received from Mr./Ms./M/s. \_\_\_\_\_

Address \_\_\_\_\_

Physical Shares: Folio No. \_\_\_\_\_ / Demat Shares: DP ID: \_\_\_\_\_ Client ID: \_\_\_\_\_

Form of Acceptance along with (Tick whichever is applicable):

Physical Shares: No. of Shares \_\_\_\_\_; No. of certificate enclosed \_\_\_\_\_

Demat Shares: Copy of delivery instruction for \_\_\_\_\_ No. of Shares

Signature of Official: \_\_\_\_\_ Date of Receipt \_\_\_\_\_ Stamp of collections Centre \_\_\_\_\_

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