

Date: January 10, 2025

To,
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai- 400001,
Script Code: 524572.

Dear Sir/ Madam,

Sub: Open Offer by Shankarappa Nagaraja Vinaya Babu (“Acquirer”) along with Tumkur Trade Center Private Limited (“PAC”), to acquire upto 91,69,632 Equity shares of Rs. 10/- each for cash at a price of ₹ 62.15/- (Rupees Sixty Two Point One Five only) per Equity Share aggregating upto ₹ 56,98,92,629/- (Rupees Fifty Six Crore Ninety Eight Lakh Ninety Two Thousand Six Hundred Twenty Nine only), to the Public Shareholders of Pharmaids Pharmaceuticals Limited (“Target Company”) Pursuant to and in Compliance with the Requirements of The Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“SEBI (SAST) Regulations”) (“Offer” Or “Open Offer”).

We have been appointed as ‘Manager to the Offer’ to the captioned Open Offer by the Acquirer in terms of Regulation 12(1) of the SEBI (SAST) Regulations, 2011. In this regard, pursuant to regulation 18(1) of the SEBI (SAST) Regulations, 2011 we are enclosing a copy of Draft Letter of Offer dated **January 10, 2025**, (“DLOF”), for your kind reference and record:

We request you to kindly consider the attachments as good compliance and disseminate it on your website.

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

Contact Person	Designation	Contact Number	Email Id
Satej Darde	Senior Manager	+91 2249730394	satej@saffronadvisor.com
Sachin Prajapati	Senior Manager		sachin@saffronadvisor.com

For Saffron Capital Advisors Private Limited



Satej Darde
Senior Manager
Equity Capital Market
Encl: a/a

DRAFT LETTER OF OFFER (“DLOF”)**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Draft Letter of Offer is being sent to you as a Public Shareholder (*as defined below*) of Pharmaid's Pharmaceuticals Limited (“**Target Company**”). If you require any clarifications about the action to be taken, you may consult your stockbroker or an investment consultant or the Manager to the Offer or the Registrar to the Offer (*as defined below*). In the event you have recently sold your Equity Shares (*as defined below*) in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement to the purchaser of the Equity Shares or the member of the stock exchange through whom the said sale was effected.

OPEN OFFER (“OPEN OFFER”/ “OFFER”) BY**Shankarappa Nagaraja Vinaya Babu (“Acquirer”) having****Residential Address at:** Sri Siddi Siri Veera Sadana, 6th Cross, Ashoka Nagara, Tumkur, Karnataka – 572103;**Tel:** +91 9902070917; **Email:** snvinaybabu@gmail.com;**Tumkur Trade Center Private Limited (“PAC”) having****Registered office Address at:** Siddi Siri Veera Sadhana, 6th Cross, Ashoka Nagara, Tumkur, Karnataka – 572103;**Tel:** 8310194548 **Email:** teamsnv14@gmail.com;(hereinafter referred to as “**Acquirer**” and “**Person Acting in Concert**” Or “**PAC**” respectively)**To the Eligible Shareholder(s) of****Pharmaid's Pharmaceuticals Limited (“Target Company”)****Corporate Identification Number:** L52520KA1989PLC173979;**Registered Office:** Unit 201, 2nd Floor, Brigade Rubix, 20/14, HMT Factory Main Road, Peenya Plantation, Bengaluru, Karnataka, India-560013 **Tel:** +91-9611551732;**Email:** compliance@pharmaid's.com, **Website:** www.pharmaid's.com;

to acquire up to **91,69,632 (Ninety One Lakh Sixty Nine Thousand Six Hundred Thirty Two)** fully paid Equity Shares of face value of ₹ 10/- each (“**Offer Shares**”) representing **26%** (Twenty Six percent) of the total Voting Share Capital of the Target Company on a fully diluted basis, as of the tenth working day from the closure of the tendering period of the open offer, for cash at a price of ₹ 62.15 (Rupees Sixty Two Point One Five only) per equity share (“**Offer Price**”).

Please Note:

- This Open Offer (as defined below) is being made by the Acquirer along with PAC to the Public Shareholders of the Target Company, pursuant to the SPA (as defined below) in accordance with Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“SEBI (SAST) Regulations, 2011”).
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011.
- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
- As per the Information available with the Acquirer along with PAC and the Target Company, there has been no competing offer as on date of this Draft Letter of Offer. If there is a competing offer, the public offer under all subsisting bids shall open and close on the same date.**
- As on the date of this Draft Letter of Offer, there are no statutory approval(s) required by the Acquirer along with PAC to complete the Underlying Transaction (as defined below) and this Open Offer. In case any statutory approvals are required or become applicable at a later date before the closure of the Tendering Period, this Open Offer shall be subject to the receipt of such statutory approvals.
- In terms of Regulation 23 of the SEBI (SAST) Regulations, in the event that, for reasons outside the reasonable control of the Acquirer along with PAC, any statutory approvals required are not received or refused, then the Acquirer along with PAC shall have the right to withdraw the Open Offer. In the event of such withdrawal of the Open Offer, the Acquire along with PACs, through the Manager to the Offer, shall, within 2 (two) working days of such withdrawal, make an announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for the withdrawal in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011.
- Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer along with PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- In the event that the number of Equity Shares validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager to the Offer.
- The Acquirer along with PAC reserves the right to revise the Offer Price and/or the Offer Size upwards at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period (as defined below) in accordance with Regulation 18(4) of the SEBI SAST Regulations, 2011. In the event of acquisition of the Equity Shares by the Acquirer along with PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI SAST Regulations, 2011. In the event of any revision of the Offer Price and/or the Offer Size, the Acquirer along with PAC shall: (i) make a corresponding increase to the escrow amount, (ii) make an announcement in the same newspapers in which the Detailed Public Statement was published, and (iii) simultaneously notify the Stock Exchange (as defined below), SEBI (as defined below) and the Target Company at its registered office. Such revision would be done in compliance with the requirements prescribed under the SEBI (SAST) Regulations, 2011.
- A Copy of the Public Announcement (“**PA**”) and the Detailed Public Statement (“**DPS**”) are available on the website of Securities and Exchange Board of India (“**SEBI**”) (www.sebi.gov.in), and a copy of this 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 SEBI at (www.sebi.gov.in).

All future correspondence, if any, should be addressed to the Manager to the Offer/ Registrar to the Offer at the address mentioned below:

MANAGER TO THE OFFER**REGISTRAR TO THE OFFER**

Saffron Capital Advisors Private Limited
605, Sixth Floor, Centre Point, Andheri-Kurla Road, J. B. Nagar, Andheri (East), Mumbai-400 059, Maharashtra, India
Tel. No.: +91 22 49730394;
Email id: openoffers@saffronadvisor.com;
Website: www.saffronadvisor.com;
Investor grievance id: investorgrievance@saffronadvisor.com;
SEBI Registration Number: INM000011211;
Validity: Permanent
Contact Person: Satej Darde/ Sachin Prajapati



Cameo Corporate Services Limited
Subramanian Building, No.1, Club House Road, Chennai- 600002, Tamil Nadu, India;
Tel: +91 44 40020700 / 40020706/ 40020741 / 40020780;
Fax: +91 44 28460129;
E-mail: priya@cameoindia.com;
Investor Grievance ID: investor@cameoindia.com;
Website: www.cameoindia.com;
Contact Person: Sreepriya. K
SEBI Registration No.: INR000003753

OFFER OPENS ON: Tuesday, February 18, 2025**OFFER CLOSES ON:** Wednesday, March 05, 2025

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES OF OPEN OFFER

Sr. No	Activity	Schedule of Activities Day and Date⁽¹⁾
1	Public Announcement (PA)	Friday, December 27, 2024
2	Publication of Detailed Public Statement in the newspapers	Friday, January 03, 2025
3	Last date for filing of draft letter of offer with SEBI	Friday, January 10, 2025
4	Last date for public announcement of competing offer(s)	Friday, January 24, 2025
5	Last date for receipt of comments from SEBI on Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Open Offer)	Friday, January 31, 2025
6	Identified Date⁽²⁾	Tuesday, February 04, 2025
7	Last date by which the Letter of Offer to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Tuesday, February 11, 2025
8	Last date for upward revision of the Offer Price and/or Offer Size	Friday, February 14, 2025
9	Last Date by which the committee of the independent directors of the Target Company is required to publish its recommendation to the Public Shareholders for this Open Offer	Friday, February 14, 2025
10	Date of publication of Open Offer opening Public Announcement in the newspapers in which the DPS has been published	Monday, February 17, 2025
11	Date of commencement of the Tendering Period (“ Offer Opening Date ”)	Tuesday, February 18, 2025
12	Date of closure of the Tendering Period (“ Offer Closing Date ”)	Wednesday, March 05, 2025
13	Last date of communicating the rejection/acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders of the Target Company	Thursday, March 20, 2025
14	Last date for publication of post Open Offer public announcement in the newspapers in which the DPS has been published	Thursday, March 27, 2025

Notes:

- The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations, 2011) and are subject to receipt of relevant statutory/regulatory approvals and may have to be revised accordingly. To clarify, the actions set out above may be completed prior to their corresponding dates subject to compliance with the SEBI (SAST) Regulations, 2011.*
- The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent in accordance with the SEBI (SAST) Regulations, 2011. It is clarified that all the Public Shareholders equity shareholders of the Target Company (registered or unregistered) (except the Acquirer along with PAC and the Promoters, Parties to the Share Purchase Agreement and Target Company) are eligible to participate in this Offer at any time prior to the closure of the Tendering Period.*

RISK FACTORS

I. RISKS RELATING TO THE UNDERLYING TRANSACTION AND OPEN OFFER

- This Open Offer is made under the SEBI (SAST) Regulations, 2011 to acquire up to 91,69,632 (Ninety One Lakh Sixty Nine Thousand Six Hundred Thirty Two) Equity Shares representing 26% (Twenty Six per cent) of the Total Voting Share Capital of the Target Company from the Public shareholders.
- In accordance with the SPA (as defined below), the acquisition of the Sale Shares (as defined below) shall be completed upon the fulfillment of conditions agreed between the Acquirer and the Sellers. In terms of Regulation 23 of the SEBI (SAST) Regulations, 2011, in the event that the approvals specified in paragraph VIII (B) (Statutory and Other Approvals) of this DLOF or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirer along with PAC, then the Acquirer along with PAC shall have the right to withdraw the Open Offer. The following conditions under which the Acquirer along with PAC can withdraw the Open Offer, as provided in Regulation 23(1) of the SEBI (SAST) Regulations, 2011 are:
 - (i) statutory approvals required for the open offer or for effecting the acquisitions attracting the obligation to make an open offer under these regulations having been finally refused, subject to such requirements for approval having been specifically disclosed in the detailed public statement and the letter of offer;
 - (ii) the Acquirer, being a natural person, has died;
 - (iii) any condition stipulated in the agreement for acquisition attracting the obligation to make the open offer is not met for reasons outside the reasonable control of the acquirer along with PAC, and such agreement is rescinded, subject to such conditions having been specifically disclosed in the detailed public statement and the letter of offer or
 - (iv) such circumstances as in the opinion of the Board, merit withdrawal.

In the event of such a withdrawal of the Open Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to BSE, SEBI and the Target Company at its registered office.

- In case Equity Shares tendered by the Public Shareholders under this Open Offer is more than the Offer Size, acceptance would be determined on a proportionate basis, subject to acquisition of a maximum of 91,69,632 (Ninety One Lakh Sixty Nine Thousand Six Hundred Thirty Two) Equity Shares and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in the Open Offer will be accepted. The unaccepted Equity Shares will be returned to the Public Shareholders in accordance with the schedule of activities for the Open Offer.
- As on date of this Draft Letter of Offer, no statutory approvals are required in relation to this Offer except as detailed in Section VIII(B) of this Draft Letter of Offer. If there is a delay in receipt of any applicable statutory or other approvals, then the Open Offer process may be delayed beyond the dates indicated in the tentative schedule of major activities of the Open Offer disclosed in this DLOF (on page number 2). In case Equity Shares are tendered in the Open Offer and a delay is caused due to delay in receipt of any applicable statutory or other approvals, the payment of consideration to Public Shareholders whose Equity Shares have been accepted under the Open Offer as well as return of Equity Shares not accepted by the Acquirer may be delayed.
- Where the statutory or regulatory approvals extend to some but not all the public shareholders, the Acquirer along with PAC 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. Further, if any delay occurs on account of willful default by the Acquirer along with PAC in obtaining the requisite approvals, regulation 17(9) of the SEBI (SAST) Regulations, 2011 will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
- In case of delay/non-receipt of any statutory or other approvals referred to in Paragraph VIII (B) (Statutory and Other Approvals) of this DLOF, SEBI may, if satisfied that non-receipt of the requisite approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer along with PAC to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirer along with PAC to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulation 18(11) or Regulation 18(11A) of the SEBI (SAST) Regulations, 2011.

- The Acquirer along with PAC will not proceed with the Open Offer, in terms of Regulation 23 of SEBI (SAST) Regulations, 2011, in the event statutory or other approvals in relation to the acquisition of the Offer Shares (as mentioned in Paragraph VIII (B) (Statutory and Other Approvals) of this DLOF) are finally refused for reasons outside the reasonable control of the Acquirer along with PAC. In the event of such a withdrawal of the Open Offer, the Acquirer along with PAC (through the Manager to the Offer) shall make an announcement of such withdrawal within 2 Working Days of such withdrawal stating the grounds and reasons for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations, 2011.
- Equity Shares once tendered in the Open Offer cannot be withdrawn by the Public Shareholders, even in the event of a delay in the acceptance of Equity Shares under the Open Offer and/or the payment of consideration. A lien shall be marked against the Equity Shares tendered in the Offer by the Public Shareholders until the completion of the formalities of this Offer and the Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares during such period, even if the acceptance of the Equity Shares in this Offer and/ or payment of consideration are delayed. During such a period, there may be fluctuations in the market price of the Equity Shares of the Target Company that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer. Neither the Acquirer along with PAC nor the Manager to the Offer make any assurance with respect to the market price of the Equity Shares and disclaim any responsibility with respect to any decision by any Public Shareholder on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding participation in this Open Offer.
- All Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals/consents required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI held by them), in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer along with PAC reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India (including erstwhile overseas corporate bodies, foreign institutional investors /foreign portfolio investors and non-resident Indians) had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer along with PAC reserves the right to reject such Offer Shares. Shareholders should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
- The Acquirer along with PAC and the Manager to the Offer accept no responsibility for the statements made otherwise than in the Public Announcement, Detailed Public Statement, Draft Letter of Offer, Letter of Offer or in the pre and post offer advertisements or any material issued by or at the instance of the Acquirer along with PAC or the Manager to the Offer in relation to the Offer and anyone placing reliance on any other source of information (not released by the Acquirer along with PAC or the Manager to the Offer) would be doing so at his/her/their own risk.
- Eligible shareholders should note that the shareholders who tender the equity shares in acceptance of the Offer shall not be entitled to withdraw such acceptances during the tendering period even if the acceptance of the equity shares in this Offer and dispatch of consideration are delayed.
- This Draft Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this draft letter of offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer along with PAC or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.
- The Eligible Shareholders are advised to consult the stockbroker, investment consultants, and legal, financial, tax, or other advisors and consultants of their choosing, for assessing further risks with respect to their participation in the Offer and related transfer of Equity Shares of the Target Company to the Acquirer along with PAC. The Acquirer along with PAC or the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this DLOF, and all shareholders should independently consult their respective tax advisors.

- None of the Acquirer along with PAC, the Manager or the Registrar to the Offer accept any responsibility for any loss of documents during transit (including but not limited to Open Offer acceptance forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
- This Offer is subject to completion risks as would be applicable to similar transactions.

II. RISKS RELATING TO ACQUIRER ALONG WITH PAC

- The Acquirer along with PAC make no assurance with respect to the future performance of the Target Company or the impact on the employees of the Target Company. The Public Shareholders should not be guided by the past performance of the Target Company and/or the Acquirer along with PAC, when arriving at their decision to participate in the Open Offer. The Acquirer along with PAC disclaim any responsibility with respect to any decision of Public Shareholders on whether to participate in the Open Offer or not.
- The Acquirer along with PAC make no assurance with respect to investment/divestment decisions relating to their proposed shareholding in the Target Company.
- The Acquirer along with PAC 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 the Acquirer along with PAC expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any eligible shareholder on whether to participate or not to participate in the Offer.
- For the purpose of disclosures in the DLOF, all information relating to the Target Company has been obtained from publicly available sources or from the Target Company. The accuracy of such details of the Target Company has not been independently verified by the Acquirer along with PAC and the Manager to the Offer.
- Acquirer has given loan to Target company for operational purpose. The total amount of loan as on December 31, 2024 is 7,00,00,000 (Rupees seven crores only).
- As per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended (“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. Pursuant to completion of this underlying transaction and Open Offer, the public shareholding in the Target Company shall not fall below the minimum public shareholding requirement as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (“SCRR”) read with the SEBI (LODR) Regulations. In such an event, the Acquirer along with PAC shall undertake such actions within the timelines specified under the SCRR, as deemed appropriate, to meet the minimum public shareholding requirements specified under SCRR.

The risk factors set forth above are limited to the Offer and are not intended to cover a complete analysis of all risks perceived in relation to the offer or in association with the Acquirer along with PAC but are only indicative and not exhaustive. The risk factors do not relate to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation in the offer by an eligible shareholder. The Eligible Shareholders are advised to consult their stockbroker, or tax advisor or investment consultant, if any, for further risks with respect to their participation in the Offer.

NOTICE TO SHAREHOLDERS IN OTHER COUNTRIES

This DLOF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions. The Open Offer described in this DLOF is not being made to, nor will tender of shares be accepted from or on behalf of Public Shareholders in any jurisdiction in which such offer or invitation is not in compliance with applicable law or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

NOTICE TO SHAREHOLDERS IN UNITED STATES

In addition to the above, please note that the Open Offer is being made for acquisition of securities of an Indian company and Public Shareholders in the U.S. should be aware that this DLOF and any other documents relating to the Open Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the Offer timetable and timing of payments, all of which differ from those in the U.S. Any financial information included in this DLOF or in any other documents relating to the Open Offer, has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

CURRENCY OF PRESENTATION

In this DLOF, all references to “Rupees” or “₹” are references to the Indian Rupee(s) (“₹”).

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I. KEY DEFINITIONS

Acquirer	Shankarappa Nagaraja Vinaya Babu, residing at Sri Siddi Siri Veera Sadana, 6 th Cross, Ashoka Nagara, Tumkur, Karnataka – 572103
Board of Directors	Board of Directors of the Target company
BSE	BSE Limited
Buying Broker	Stock broker appointed by Acquirer along with PAC for the purpose of this Open Offer i.e. Choice Equity Broking Private Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956 and the Companies Act, 2013 (to the extent applicable) as amended, substituted or replaced from time to time.
Depositories	NSDL and CDSL
Designated Stock Exchange	BSE Limited
Detailed Public Statement/ DPS	Detailed Public Statement dated January 02, 2025, issued by the Manager to the Offer, on behalf of the Acquirer along with PAC, in relation to the Offer and published in all the editions of Financial Express (English), Jansatta (Hindi), Navshakti (Marathi) (Mumbai Edition place where the Stock Exchange at which the Equity Shares of the Target Company are listed) and Udaykala (Kannada) (Bangalore edition place where the Registered office of the Target Company is situated) on January 03, 2025, in accordance with the Regulations 3(1) and 4 read with Regulations 13(4), 14 and 15 and other applicable regulations of the SEBI (SAST) Regulations, 2011.
DIN	Director Identification Number
DP	Depository participant
DLOF/ Draft Letter of Offer	This Draft Letter of Offer dated January 10, 2025
Eligible Shareholders / Public Shareholders	shall mean all the equity shareholders of the Target Company who are eligible to tender their Equity Shares in the Open Offer, except the Acquirer along with PAC, Promoter(s) of the Target Company, parties to the Share Purchase Agreement and any person deemed to be acting in concert with them, pursuant to and in compliance with the provisions of regulation 7(6) of the SEBI (SAST) Regulations, 2011
EPS	Earnings Per Share calculated as profit after tax divided by number of equity shares issued
Equity Share(s)/ Share(s)	The fully paid-up equity share(s) of the Target Company of face value of ₹ 10/- (Rupees Ten) per equity share
Escrow Agreement	Escrow Agreement dated December 27, 2024, entered between the Acquirer, Escrow Agent and Manager to the Offer
Escrow Bank / Escrow Agent	ICICI Bank Limited, Mumbai
Existing Promoter(s) of the Target Company	shall mean Sadhanala Venkata Rao, Padmaja Kalyani Sadhanala, Viswa Prasad Sadhanala, Pilli Meena Kumari, Rangoori Kantham, Sadhanalla Dara Kalyani, Dadi Urmila, Maharani Maheshwari Sadhanala, Baghi Rao Pankaj Sadhanala, Surekha Prashant Dave, Suresh Kumar, Uttam P Jain, B. Venkatswamy and Kant Rao.
Existing Voting Share capital	Paid up share capital of the Target Company prior to proposed open offer i.e., ₹ 35,26,78,120 (Rupees Thirty-Five Crore Twenty Six Lakh Seventy Eight Thousand One Hundred Twenty Only) divided into 3,52,67,812 (Three Crore Fifty Two Lakh Sixty Seven Thousand Eight Hundred Twelve) fully paid-up Equity Shares of face value Rs. 10 (Rupees Ten only) each
FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
FII(s)	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, 1961 which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as Foreign Portfolio Investors, such Foreign Portfolio Investors
Financial Year	Has the same meaning as ascribed to it in the SEBI (SAST) Regulations, 2011
Identified Date	Tuesday, February 04, 2025, i.e., the date falling on the 10 th (tenth) working day prior to the commencement of the tendering period, for the purposes of determining the public shareholders to whom the Letter of Offer shall be sent

Letter of Offer/ LOF	The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer
LLP	Limited Liability Partnership
Manager to the Offer/Merchant Banker	Saffron Capital Advisors Private Limited
NRI	Non-Resident Indian as defined in Foreign Exchange Management (Deposit) Regulations, 2000, as amended
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
Offer/Open Offer	91,69,632 (Ninety-One Lakh Sixty Nine Thousand Six Hundred Thirty Two) fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten) each representing 26% of the Total Voting Share Capital of the Target Company at a price of ₹ 62.15 (Rupees Sixty Two Point One Five Only) per equity share payable in cash.
Offer Consideration	The maximum consideration payable under this Offer, assuming full acceptance, is ₹ 56,98,92,629 (Rupees Fifty-Six Crore Ninety-Eight Lakh Ninety Two Thousand Six Hundred and Twenty Nine Only)
Offer Period	The period between the date on which the PA i.e. December 27, 2024 was issued by the Acquirer along with PAC and the date on which the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this offer, is made, or the date on which this Offer is withdrawn, as the case may be.
Offer Price	₹ 62.15 (Rupees Sixty-Two Point One Five Only) per equity share
Offer Size / Offer Shares	91,69,632 (Ninety One Lakh Sixty Nine Thousand Six Hundred Thirty Two) fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten) each representing 26% of the total Voting Share Capital of the Target Company
PAN	Permanent Account Number
Person acting in concert / PAC	shall mean Tumkur Trade Center Private Limited having its registered office at Siddi Siri Veera Sadhana, 6 th Cross, Ashoka Nagara, Tumkur, Karnataka – 572103 is acting in concert with the Acquirer along with PAC for the purposes of this Open Offer.
Public Announcement/PA	Public Announcement of the Open Offer made by the Manager to the Offer on behalf of the Acquirer along with PAC on December 27, 2024, in accordance with SEBI (SAST) Regulations, 2011
RBI	Reserve Bank of India
Registrar to the Company	Venture Capital & Corporate Investments Pvt. Ltd.
Registrar to the Issue	Cameo Corporate Services Limited
Sale Shares	Collectively means sale shares 1 and sale shares 2 viz 3,27,085 (Three Lakh Twenty-Seven Thousand Eighty Five) Equity Shares constituting 0.93% (Zero Point Nine Three percent) of the Total Voting Share Capital
SCRR	Securities Contract (Regulations) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereof
SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof
Sellers	shall collectively mean public shareholders as per latest beneficiary position data available with the Target Company dated January 03, 2025 viz. Govindaraja Setty Srinivasa Mithra ("Seller 1") and Irakasandra Colony Gangadhar Megha ("Seller 2")
Selling Broker	Respective stockbrokers of all eligible shareholders who desire to tender their Shares under the Open Offer
"Share Purchase Agreement" or "SPA"	shall mean the Share Purchase Agreement dated December 27, 2024, entered into by and amongst the Acquirer and the Sellers;
Stock Exchange	Means BSE Limited
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto

<i>Target Company</i>	Pharmaids Pharmaceuticals Limited having its registered office at Unit 201, 2nd Floor, Brigade Rubix, 20/14, HMT Factory Main Road, Peenya Plantation, Bengaluru, Karnataka- 560013, India
<i>Tendering Period</i>	Tuesday, February 18, 2025 to Wednesday, March 05, 2025, both days inclusive
<i>Total Voting Share Capital</i>	shall mean the total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10th (tenth) Working Day from the closure of the Tendering Period for the Open Offer
<i>Working Day</i>	Working days of SEBI

II. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS 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. THIS 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 THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF PHARMAIDS PHARMACEUTICALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER ALONG WITH PAC OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ALONG WITH PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER ALONG WITH PAC DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED, FRIDAY, JANUARY 10, 2025, TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER ALONG WITH PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

III. DETAILS OF THE OFFER

A) Background of the Offer

1. This Open Offer is a mandatory open offer being made by the Acquirer along with PAC to the Public Shareholders, pursuant to the execution of the Share Purchase Agreement dated the December 27, 2024 between the Acquirer and Sellers, in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations, 2011 as a result of a direct substantial acquisition of Equity Shares and voting rights of the Target Company to acquire up to 91,69,632 (Ninety One Lakh Sixty Nine Thousand Six Hundred Thirty Two) (“Offer Shares”) Equity Shares of face value of ₹ 10 (Rupees Ten Only) representing 26% of the Total Voting Share Capital (“Offer Size”), at an offer price of ₹ 62.15 (Rupees Sixty Two Point One Five Only) per Equity Share (“Offer Price”), aggregating to a total consideration of up to ₹ 56,98,92,629 (Rupees Fifty Six Crore Ninety Eight Lakh Ninety Two Thousand Six Hundred and Twenty Nine Only) (“Maximum Consideration”).

The Salient features of Share Purchase Agreement 1 (“SPA 1”) are as follows:

- a) The Seller 1 holds 2,77,085 (Two Lakh Seventy Seven Thousand and Eighty Five) equity shares of the Company, which represent 0.79% (Point Seven Nine Percent) of the total issued shares of the Company of which he has agreed to sell 2,27,085 (Two Lakh Twenty Seven Thousand and Eighty Five Only) equity shares (the "**Sale Shares 1**") of the Company, for the Purchase Consideration upon and subject to the terms and conditions set out in this Agreement.
- b) “Sales of Shares” Subject to the terms and conditions of this Share Purchase Agreement, and in reliance of the representations of the Seller 1, the Acquirer has agreed to purchase the Sale Shares for the Purchase Consideration, and Seller 1 has agreed and undertaken to transfer the Sale Shares to the Acquirer.
- c) “Closing” The sale and purchase of the Sale Shares 1 shall be completed on a date mutually agreed between the Parties (**Closing Date**), provided that such date shall in any event be not later than 30th June 2025 (**Long Stop Date**).
- d) The Acquirer shall remit the Purchase Consideration payable under this agreement to the Seller 1’s Bank Account.
- e) The Seller 1 hereby agrees to indemnify, defend and hold harmless, the Acquirer, from and against any and all losses suffered or incurred by the Acquirer as a consequence of breach of any of the warranties or covenants by Seller 1 under this Agreement.
- f) Upon consummation of the transactions contemplated by this Agreement, Seller 1 will transfer to the Acquirer, Shares, valid and marketable title to the Sale Shares held by him, free and clear of all liens, claims and Encumbrances
- g) Seller 1 has represented that he is entitled to transfer the whole of the right, title and interest in the Sale Shares to the Acquirer in accordance with the terms hereof and no other person has any right whatsoever in respect of the Sale Shares.

The Salient features of Share Purchase Agreement 2 (“SPA 2”) are as follows:

- a) The Seller 2 holds 1,66,660 (One Lakh Sixty Six Thousand Six Hundred and Sixty) equity shares of the Company, which represent 0.47% (Point Four Six Percent) of the total issued shares of the Company; of which she has agreed to sell 1,00,000 (One Lakh Only) equity shares (the "**Sale Shares 2**") of the Company, for the Purchase Consideration, upon and subject to the terms and conditions set out in this Agreement.
- b) “Sales of Shares” Subject to the terms and conditions of this Share Purchase Agreement, and in reliance of the representations of the Seller 2, the Acquirer has agreed to purchase the Sale Shares for the Purchase Consideration, and Seller 2 has agreed and undertaken to transfer the Sale Shares 2 to the Acquirer.
- c) “Closing” The sale and purchase of the Sale Shares 2 shall be completed on a date mutually agreed between the Parties (**Closing Date**), provided that such date shall in any event be not later than 30th June 2025 (**Long Stop Date**).
- d) The Acquirer shall remit the Purchase Consideration payable under this agreement to the Seller 2’s Bank Account.
- e) The Seller 2 hereby agrees to indemnify, defend and hold harmless, the Acquirer, from and against any and all losses suffered or incurred by the Acquirer as a consequence of breach of any of the warranties or covenants by the Seller 2 under this Agreement.

- f) Upon consummation of the transactions contemplated by this Agreement, the Seller 2 will transfer to the Acquirer, Shares, valid and marketable title to the Sale Shares 2 held by him, free and clear of all liens, claims and Encumbrances.
- g) The Seller 2 is entitled to transfer the whole of the right, title and interest in the Sale Shares to the Acquirer in accordance with the terms hereof and no other person has any right whatsoever in respect of the Sale Shares.
- 2) Apart from the consideration of ₹ 1,14,47,975 (Indian Rupees One crore fourteen lakhs forty seven thousand nine hundred and seventy five) as envisaged under the SPA, no other compensation, directly or indirectly, is payable to the Sellers. The total consideration is paid / payable in cash for both under the SPA and the present Open Offer.
- 3) Pursuant to the consummation of the Underlying Transaction, the Existing Promoters of the Target Company except B. Venkatswamy and Kant Rao will relinquish the management control of the Target Company in favour of the Acquirer and PAC and cease to be the members of the Promoter and Promoter Group of the Target Company. Further, except B. Venkatswamy and Kant Rao, the other Existing Promoters of the Target Company intend to continue as shareholders of the Target Company and shall get themselves reclassified as public shareholders in accordance with the procedures contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations").
- 4) The offer price payable in cash by the Acquirer along with PAC in accordance with the provision of Regulation 9(1) (a) of SEBI (SAST) Regulation, 2011 and subject to terms and condition set out in this DPS and the Letter of Offer that it will be dispatch to the Public shareholder in accordance with the provision of SEBI (SAST) Regulation, 2011.
- 5) The Board of the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, 2011, constitute a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7) of the SEBI SAST Regulations, 2011, the committee of independent directors of the Target Company shall provide their reasoned recommendations on this Open Offer to its shareholders and the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, 2011, cause to publish such recommendation at least two working days before the commencement of the tendering period, in the same newspapers where the Detailed Public Statement (DPS) of the Offer was published.
- 6) The primary objective of the Acquirer along with PAC for the above-mentioned acquisition is substantial acquisition of shares and voting rights in the Target Company and acquisition of management control of the Target Company. The Acquirer along with PAC may diversify its business activities in future into other line of business, however depending on the requirement and expediency of the business situation and subject to all applicable law, rules and regulations, the Board of Directors of the Target Company will take appropriate business decisions from time to time in order to improve the performance of the Target Company.
- 7) The Offer Price shall be payable in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
- 8) This Offer is not made pursuant to any indirect acquisition, arrangement or agreement and is not a conditional offer.
- 9) The Offer is not a result of global acquisition resulting in indirect acquisition of equity shares of the Target Company or Open Market Purchase.
- 10) The Acquirer along with PAC confirms that they are not prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.
- 11) As on the date of this DLOF, Tumkur Trade Center Private Limited is a Person Acting in Concert with the Acquirer for the purposes of this Open Offer pursuant to Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.
- 12) As of the date of this DLOF, the Acquirer is a Non-Executive - Non Independent Director- Chairperson of the Target Company. PAC is not on the Board of Directors of the Target Company.

B) Details of the proposed Offer:

1. The Public Announcement was made under Regulation 3(1) and 4 of the SEBI SAST Regulation, 2011 on Friday, December 27, 2024, by the Manager to the Offer on behalf of the Acquirer along with PAC and submitted to the Stock Exchange, to the registered office of the Target Company and filed with SEBI.
2. In accordance with Regulation 13(4) and Regulation 14(3) of the SEBI (SAST) Regulations, 2011. The Acquirer along with PAC have published the DPS on Friday, January 03, 2025, which appeared in the following newspapers:

Sr. No.	Newspapers	Language	Editions
1	Financial Express	English	All Editions
2	Jansatta	Hindi	All Editions
3	Udaykala	Kannada	Bangalore Edition – Being the regional language at the place where the Registered Office of the Target Company is situated
4	Navshakti	Marathi	Mumbai Edition – Place where the Stock Exchange at which the Equity Shares of the Target Company are listed

Simultaneously, in accordance with the provisions of Regulation 14(4) of SEBI (SAST) Regulations, 2011, a copy of the DPS was sent through the Manager to the Offer to: (i) SEBI; (ii) BSE; and (iii) the Target Company on January 03, 2025. A copy of DPS is also available on the website of SEBI at www.sebi.gov.in, BSE at www.bseindia.com, and on the website of Manager to the Offer at www.saffronadvisor.com.

3. This Open Offer is a mandatory open offer being made by the Acquirer along with PAC to all the Public Shareholders of Target Company to acquire up to 91,69,632 (Ninety One Lakh Sixty Nine Thousand Six Hundred Thirty Two) fully paid equity shares of the Target Company, of face value of ₹ 10/- each (**“Offer Shares”**) representing 26% (Twenty Six Percent) of the Total Voting Share Capital of the Target Company, at a price of ₹ 62.15 (Rupees Sixty Two Point One Five Only), per equity share (**“Offer Price”**), aggregating to ₹ 56,98,92,629/- (Rupees Fifty Six Crore Ninety Eight Lakh Ninety Two Thousand Six Hundred and Twenty Nine Only) (**“Offer” or “Open Offer”**).
4. The Offer Price is payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
5. As on the date of this DLOF, there are no partly paid-up equity shares in the Target Company.
6. This Open Offer is not conditional on any minimum level of acceptance and is not a competing offer in terms of Regulations 19 and 20 respectively of the SEBI (SAST) Regulations, 2011.
7. Further, there is no competing offer as on the date of this DLOF in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
8. There is no differential pricing for Equity Shares under the Offer.
9. There are no conditions as stipulated in the SPA, the meeting of which would be outside the reasonable control of the Acquirer, and in view of which the Offer might be withdrawn under Regulation 23(1) of the SEBI (SAST) Regulations, 2011.
10. The equity shares of the Target Company will be acquired by the Acquirer under this Offer as fully paid up, free from all lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
11. As on the date of this DLOF, there are no statutory or other approvals required to complete the Underlying Transaction and this Offer. However, if any other statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer along with PAC will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made within 2 (two) 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 to the Target Company at its registered office.
12. The Manager to the Offer does not hold any equity shares in the Target Company as on the date of appointment as well as on the date of this DLOF. The Manager to the Offer further declares and undertakes that it shall not deal in the equity shares of the Target Company during the period

commencing from the date of its appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.

13. As per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended (“**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. Pursuant to completion of this underlying transaction, Open Offer and including the shareholding of the Promoters of the Target Company, the public shareholding in the Target Company will not fall below the minimum public shareholding requirement as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (“**SCRR**”) read with the SEBI (LODR) Regulations.
14. If the Acquirer along with PAC acquire equity shares of the Target Company during the period of 26 (twenty-six) weeks after the tendering period at a price higher than the Offer Price, then the Acquirer along with PAC 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 60 (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 the SEBI (SAST) Regulations, 2011, or pursuant to Delisting Regulations, 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.
15. The Acquirer along with PAC has not acquired any equity shares of the Target Company after the date of PA, i.e., Friday, December 27, 2024, and up to the date of this Draft Letter of Offer i.e. Friday, January 10, 2025.

IV. OBJECT OF THE ACQUISITION/ OFFER

1. The Primary objective of the Acquirer along with PAC for the above-mentioned acquisition is substantial acquisition of shares and voting rights accompanied with the change in control and management in the Target Company and acquisition of management control of the Target Company. The Acquirer along with PAC may diversify its business activities in future into other line of business, however depending on the requirement and expediency of the business situation and subject to all applicable law, rule and regulations, the Board of Directors of the Target Company will take appropriate business decision from time to time in order to improve the performance of the Target Company.
2. The Acquirer along with PAC does 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 2 (two) years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within 2 (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.
3. The Acquirer along with PAC has not formulated any proposal as on the date of this DLOF which may have an adverse material impact on employees and location of place of business of the Target Company.

V. BACKGROUND OF THE ACQUIRER ALONG WITH PERSON ACTING IN CONCERT (“PAC”)

1. Shankarappa Nagaraja Vinaya Babu (“Acquirer”)

- (i) Shankarappa Nagaraja Vinaya Babu, S/o Melanahally Shankarappa Nagaraju, aged about 49 years, Indian National, is presently residing at Sri Siddi Siri Veera Sadana, 6th Cross, Ashoka Nagara, Tumkur, Karnataka – 572103, **Tel:** +91 9902070917; **Email:** snvinaybabu@gmail.com
- (ii) The Acquirer has completed his Bachelor of Veterinary Science from University of Agricultural Sciences, Bangalore. He completed his graduation in 1998 and has worked at Rallis India Limited as research fellow, Aurigene Discoveries Technologies Limited as Sr. Research Associate. Acquirer is experienced in CRAMS industry and with the experience of the same, started the entrepreneurial journey in the business of preclinical services to pharmaceutical, biotechnology, agrochemical, industrial chemicals and medical device companies. He has over 23 Years of experience in areas like Veterinary Science, Toxicology, Contract Research & Development, etc.
- (iii) The Net worth of Acquirer as on December 20, 2024 is ₹ 25,369.63 /- Lakhs (Rupees Twenty Five Thousand Three Hundred and Sixty Nine point Sixty Three Lakhs Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91-9448343691; Email: mahendrav02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGID7543.
- (iv) Name(s) of the Companies in which the Acquirer is a promoter/holds Directorship/holds shareholding, the details of the same is as follows:

Sr. No	Name of the Companies	Designation	No of shares	Percentage (%) holding	Listing status
1.	Pharmaids Pharmaceuticals Limited	Director	70,20,854	19.91	Listed on BSE
2.	Tumkur Trade Center Private Limited	Director	4,99,500	99.90	Unlisted
3.	Veeda Clinical Research Limited	Director	14,86,414	2.26	Unlisted
4.	Amthera Life Sciences Private Limited	Director	0	0.00	Unlisted
5.	Peenya Food & Drug Testing Lab Private Limited	Director	9,900	99.00	Unlisted
6.	Biocraft School of Pre-Clinicals Private Limited	Director	950	95.00	Unlisted
7.	Bionees India Private Limited	Managing Director	6,64,288	9.00	Unlisted

(Source: www.mca.gov.in and www.bseindia.com)

- (v) Except as mentioned in the point (iv) above, Acquirer neither holds any directorships in any other listed entity nor holds any position as a whole-time director in any other company.
- (vi) Acquirer hereby undertakes and confirms that the entities mentioned under point (iv) above are not participating or interested or acting in concert in this Open Offer except Tumkur Trade Center Private Limited.
- (vii) Acquirer is Non-Executive - Non Independent Director- Chairperson of the Target Company as on the date of the PA and this DPS.
- (viii) Acquirer holds 70,20,854 equity shares of the target company carrying voting rights representing 19.91% of the Paid-up Equity Share Capital of the Target Company as on the date of the PA and this DPS.
- (ix) Acquirer has not acquired any Equity Shares or voting rights of the Target Company between the date of the PA i.e., December 27, 2024, and the date of this DPS.

2. Tumkur Trade Center Private Limited (“PAC”)

- (i) PAC was incorporated as a Private Limited Company on May 23, 2018 under the provision of the Companies Act, 2013 in the name of “Tumkur Trade Center Private Limited” vide Certificate of Incorporation issued by Registrar of Companies, Central Registration Centre. PAC is a Private Company limited by shares. The Corporate Identification Number of the PAC is U45403KA2018PTC113380.
- (ii) The registered office of the PAC is situated at Siddi Siri Veera Sadhana, 6th Cross, Ashok Nagar, Tumkur, Karnataka - 572103.
- (iii) The Net worth of Person Acting in Concert (“PAC”) as on December 20, 2024 is ₹ 1,354.30 /- Lakhs (Rupees One Thousand Three Hundred Fifty Four point Thirty Lakhs Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91- 9448343691; Email: mahendrav02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGIC9961.
- (iv) As per the Memorandum of Association of PAC, the PAC is engaged in the business to carry on in India or elsewhere the business of builders, developers, contractors, designers, decorators, furniture consultants, constructors, brokers of all types of buildings and structures including houses, town ships, layouts, flats, apartments, offices, go-downs, warehouses, shops, factories, building sheds, hospitals, hotels, holiday resorts, shopping cum residential complexes, and to develop, erect, install, alter, improve, and establish, renovate, recondition, protect, participate, enlarge, repair, demolish, remove, replace, maintain, manage, buy, sell, let on hire, commercialize account, fabricate, handle and control all such buildings and structures, and to purchase, sale or deal in all types of movable and immovable properties for development, investment or for resale and to act as buyer, seller, importer, exporter, agent, distributor, stockiest, or otherwise to deal in all types of raw materials, goods, fittings, parts, accessories, know-how, consumables, plants and machineries, tools and tackles, used for the foregoing purposes. To carry on in India or elsewhere the business to establish, run, manage, construct, build, take on hire or lease, maintain, organize, promote, provide, acquire, buy, sell, convert, develop, let out on lease or hire Industrial Parks, Software Parks, Hardware Parks, Bio Tech Parks, Residential, Educational and Commercial Buildings. Currently the PAC is also in the business of construction of buildings and ancillary infrastructures or incubation centers or life parks for the purposes of renting or leasing it out to start ups, matured companies, listed companies, educational institutions, pharma companies, biotechnology companies, agrochemical companies, life science R & D companies, CRAMS and CDMO companies, preclinical and clinical trial companies, animal testing companies, analytical services companies and CRAMS business to carry out their discovery, development, regulatory and product development and testing purposes.
- (v) The present authorized share capital of the PAC is ₹ 50,00,000/- (Rupees Fifty Lakh Only) divided into 5,00,000 (Five Lakh) Equity Shares of ₹ 10/- (Rupees Ten Only) each. The paid-up equity share capital of the PAC is ₹ 50,00,000/- (Rupees Fifty Lakh Only) divided into 5,00,000 (Five Lakh) equity shares of ₹ 10/- (Rupees Ten) each.
- (vi) The person in control/ members along with their shareholding as per the shareholding pattern as on date of this DLOF are mentioned below:

Sr. No.	Name of Shareholder's & promoters.	No. of Shares Held	Share Value	Percentage of Shares Held
1.	Shankarappa Nagaraja Vinaya Babu	4,99,500	49,95,000	99.90
2.	Hosaangadi Nithyananda Soumya	500	5,000	0.10
Total		5,00,000	50,00,000	100

(Source:- eform MGT-7 filed by PAC for FY 2023-24 with Ministry of Corporate Affairs (MCA))

- (vii) The Key financial information of the PAC based on its unaudited financial statements for the six months ended September 30, 2024 and audited financial statements for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 is as given below:

(Amount in ₹)

Sr. No.	Particulars	For the period ended September 30, 2024*	For the year ended March 31		
			31.03.2024 (Audited)	31.03.2023 (Audited)	31.03.2022 (Audited)
1.	Total Revenue #	3,14,05,841	4,69,87,828	2,76,34,753	3,69,67,400
2.	Net Profit/(Loss)	11,80,754	1,23,75,863	70,59,427	55,11,650

3.	Earnings Per Share (In ₹)	2.36 **	24.75	14.12	10.00
4.	Net worth/ Shareholder's Fund \$	3,40,34,515	3,28,53,761	2,04,72,898	13,413,470

*As the PAC is an unlisted private company the financial for the period ended September 30, 2024 are permitted to be unaudited.

#Total Revenue includes revenues from operations and other income

\$ Networth = Share Capital + Reserve and Surplus

**Not Annualized

- (viii) The key financial information of the PAC, as extracted from its unaudited financial results for half year period ended September 30, 2024 (Standalone) is & audited financial statement, as at and for each of the three (3) financial years ended on March 31, 2024 (Standalone), March 31, 2023 (Consolidated), and March 31, 2022 (Consolidated) is as set out below

Profit and Loss Statement				
Profit & Loss Statement	For the period ended September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
Revenue from Operations	249.85	341.92	716.79	885.63
Other Income	64.21	127.96	5.48	0.00
Total Income	314.06	469.88	722.26	885.63
Expense				
Cost of Material Consumed	-	-	-	-
Purchases of Stock in Trade	-	-	252.19	587.06
Change in Inventories of work in progress and finished goods	-	34.75	(5.87)	(133.75)
Employee Benefit Expenses	25	28.85	144.61	71.80
Finance Costs	67.8	39.20	33.04	7.72
Depreciation and Amortization Expenses	109.17	70.87	11.48	10.65
Other Expenses	87.86	133.82	200.51	264.58
Total expenses	289.85	307.49	635.96	808.06
Profit/(Loss) before Exceptional and Extraordinary Item and Tax	24.23	162.39	86.31	77.57
Profit Before Tax	24.23	162.38	86.31	77.57
Exceptional Item	-	-	-	-
Profit/(Loss) before Extraordinary Item and Tax	24.23	162.39	86.31	77.57
Extraordinary Item	-	-	-	-
Tax Expense:				
(1) Current Tax Expense for current Year	-	41.26	23.63	20.67
(2) Current Tax Expenses for Earlier Years	-	0.22	0.29	3.02
(3) Deferred Tax Expenses	-	(2.85)	(0.64)	(0.90)
Profit for the period	11.83	123.76	63.03	54.78
Other Comprehensive Income	-	-	(2.63)	(6.46)
Total Comprehensive Income for the period (Profit/Loss + Other Comprehensive Income)	11.83	123.76	60.40	48.32

Balance Sheet				
Balance Sheet Statement	For the period ended September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
I. EQUITY AND LIABILITIES				
(1) Shareholders' funds				
(a) Share Capital	50.00	50.00	50.00	50.00
(b) Reserves and Surplus	290.35	278.49	177.33	102.72
Equity attributable to the owners of the Company	340.35	328.49	227.33	152.72
Non-controlling Interest	-	-	55.08	70.34
Total	340.35	328.49	282.41	223.06
(2) Non-current liabilities				
(a) Long-term Borrowings	2,833.35	3458.97	240.23	282.87
(b) Deferred Tax Liabilities (net)	9.57	-	-	-
(c) Other Long-term Liabilities	426.69	426.69	175	175
(d) Long Term Provisions	-	-	-	-
Total	3,269.61	3885.66	415.23	457.87
(3) Current liabilities				
(a) Short-term Borrowings	1,241.51	48.89	1325.19	1178.53
(b) Trade Payables	-	-	154.47	136.82
-Due to Micro and Small Enterprises				
-Due to others	66.75	22.82	-	-
(c) Other Current Liabilities	14.61	29.04	449.17	26.53
d) Short-term Provisions	-	-	4.60	2.21
Total	1,322.86	100.75	1933.43	1344.09
Total Equity and Liabilities	4,932.81	4,314.90	2631.07	2025.02
II. ASSETS				
1) Non-current assets				
a) Property, Plant and Equipment and Intangible Assets	-	-	-	
(i) Property, Plant and Equipment	1,508.25	762.88	386.26	339.25
(ii) Intangible Assets	-	-	-	-
(iii) Capital Work-in Progress	-	-	581.95	430.51
(b) Non-current Investments	699.05	2140.90	393.32	202.73
(c) Deferred Tax Assets (net)	-	2.83	3.69	3.05
(d) Long term Loans and Advances	939.67	1,194.97	-	-
(e) Other Non-current Assets	0.50	2.96	25.42	25.42
Total	3,147.47	4104.54	1390.64	1000.96
(2) Current assets				
(a) Current Investments	38.89	38.89	-	-
(b) Inventories	-	-	171.05	165.17
(c) Trade Receivables	136.93	90.33	128.33	180.95
(d) Cash and cash equivalents	1,526.31	3.28	84.75	59.57
(e) Short-term Loans and Advances	83.21	77.86	855.38	616.53
(f) Other Current Assets	-	-	0.92	1.84
Total	1,785.34	210.36	1240.43	1024.06
Total Assets	4,932.81	4314.90	2631.07	2025.02 -

Other Financial Data				
Other Financial Data	For the period ended September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
Dividend (%)	-	-	-	-
Earnings Per Share (₹)	2.37	24.75	12.08	9.66
Return on Net worth (%)	3.48%	37.67%	26.57%	31.64%
Book Value per share (₹)	68.07	65.70	45.47	30.54

- (ix) PAC holds 15,68,000 equity shares of the target company carrying voting rights representing 4.45% of the Paid-up Equity Share Capital of the Target Company as on the date of the PA and this DLOF.
- (x) PAC has not acquired any Equity Shares of the Target Company between the date of the PA i.e December 27, 2024, and the date of this DLOF.
- (xi) Acquirer represents on the Board of Directors of the PAC as on the date of the PA and this DLOF.

3. As on date of this Draft Letter of Offer Acquirer along with PAC have individually confirmed, and declared that:

- (i) They do not belong to any group.
- (ii) They are not prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (“SEBI Act”) or under any other Regulation made under the SEBI Act.
- (iii) They are not categorized as a “willful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011.
- (iv) They are not declared as a “fugitive economic offender” under Section 12 of the Fugitive Economic Offenders Act, 2018.
- (v) The Acquirer is on the Board of Directors of the PAC.
- (vi) The Acquirer is Non-Executive - Non Independent Director- Chairperson of the Target Company as on the date of this DLOF. PAC is not on the Board of Director of the Target Company.
- (vii) As on the date of this DLOF, Tumkur Trade Center Private Limited is a Person Acting in Concert with the Acquirer for the purposes of this Open Offer pursuant to Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011
- (viii) There are no pending litigations pertaining to the securities market where they are made party to, as on the date of this DLOF.
- (ix) The Acquirer along with PAC undertake that they will not sell the equity shares of the Target Company, if any held by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations, 2011.
- (x) The Acquirer along with PAC do not have an intention to delist the Target Company pursuant to this Open Offer.
- (xi) The Acquirer along with the PAC undertake that if they acquire any further Equity Shares of the Target Company during the Offer Period, they will inform the Stock Exchange and the Target Company within twenty-four hours of such acquisitions.
- (xii) The Acquirer along with the PAC will not acquire or sell any Equity Shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the

expiry of the Tendering Period in accordance with Regulation 18(6) of the SEBI (SAST) Regulations, 2011.

4. Details of current and proposed Shareholding of the Acquirer along with PAC in the Target Company:

Details	Acquirer **	Person Acting in Concert (PAC)**	Total
	Number of Equity Shares and %*	Number of Equity Shares and %	
Shareholding as of the date of PA	70,20,854 (19.91%)	15,68,000 (4.45%)	85,88,854 (24.36%)
Equity Shares acquired through SPA	3,27,085 (0.93%)	Nil	3,27,085 (0.93%)
Shares acquired between the PA date and the DPS date	Nil	Nil	Nil
Equity share proposed to be acquired in this Open offer (assuming full acceptance in the open offer)	91,69,632 (26.00%)	Nil	91,69,632 (26.00%)
Post Offer Shareholding, as of 10th working day after closing of Tendering Period (assuming full acceptance under the Open Offer)	1,65,17,571 (46.83%)	15,68,000 (4.45%)	1,80,85,571 (51.28%)

*Calculated on the total existing Voting share Capital of Target Company

** As on the date of this DLOF, the Acquirer along with PAC holds 24.36% in the target Company.

VI. BACKGROUND OF THE TARGET COMPANY

(The disclosures mentioned under this section have been sourced from information published by the Target Company or provided by the Target Company or publicly available sources)

1. The Target Company was incorporated as a Private Limited Company under the provisions of Companies Act, 1956 as “Pharmaids Pharmaceuticals Private Limited” vide certificate of incorporation dated March 01, 1989 issued by Registrar of Companies, Hyderabad, Andhra Pradesh. Subsequently, the name was changed to “Pharmaids Pharmaceuticals Limited” vide fresh certificate of incorporation dated May 08, 1992 issued by Registrar of Companies, Hyderabad, Andhra Pradesh. The Registered Office of the Target Company was changed from the state of “Telangana” to the state of “Karnataka” and subsequently the ROC was changed from “ROC Hyderabad” to “ROC Bangalore” vide certificate of Registration of Regional Director order for Change of State dated May 22, 2023 issued by Registrar of Companies, Bangalore, Karnataka.
2. The Registered Office of the Target Company is presently situated at Unit 201, 2nd Floor, Brigade Rubix, 20/14, HMT Factory Main Road, Peenya Plantation, Bengaluru, Karnataka-560013, Tel No: +91-9611551732, **Email:**compliance@pharmaids.com; **Website:**www.pharmaids.com. The Corporate Identification Number (“CIN”) of the Target Company is L52520KA1989PLC173979.
3. The Target Company has business operations in quality pharmaceutical Contract Research and Manufacturing Services (CRAMS), intermediates, APIs and bulk drugs with the following objectives; **a)** To engage in the production, manufacturing, trade of medicinal, pharmaceutical, chemical, agro goods, including but not limited to patent medicines, generic medicines, medical requisites, proprietary medicines, veterinary medicines, medical instruments, medical devices, photographic goods, oils, perfumes, cosmetics, extracts and other similar goods. Additionally, to conduct the business activities of packing, repacking, vialling, bottling and processing of tablets, capsules, syrups, injections, fluids, ointments, etc. **b)** To support, initiate, promote, and engage in product discovery, research, development, manufacturing, testing, analytical services like non-clinical, clinical, research services, innovation services, and other related activities in the domains of biotechnology, pharmaceuticals, devices, nutritional products, life sciences, chemical sciences, physical sciences, natural sciences, biosciences, agro-based products, and associated fields. This includes, but is not limited to, activities such as discovery, custom services, vivarium services, animal research, as well as preclinical and clinical studies and conducted in-vitro, on animals, human subjects. **c)** To conduct, facilitate, establish, pursue, develop, engage in, trade, utilize, consult, advise, and provide Contract Research and Manufacturing Services (CRAMS) including procurement, trading, breeding, production, of all requisite materials like active pharmaceutical ingredients, active ingredients, technical material, chemicals, laboratory animals, supplies etc **d)** To build, establish, set up, lease, hire, or otherwise take possession of research, manufacturing, warehousing, and ancillary facilities. Additionally, to be involved in the business of designing and developing software and related products which may be specifically tailored for applications in the fields of pharma, healthcare, biotechnology, discovery, development, manufacturing, bioinformatics, automation, artificial intelligence and any related field.
4. As on date of this DLOF, the Authorized Share Capital of the Target Company is ₹ 45,00,00,000/- (Rupees Forty-Five Crore only) comprising of 4,50,00,000 (Four Crore Fifty Lakh) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each. The Issued, Subscribed and Paid-up Share Capital of the Target Company is ₹ 35,26,78,120/- (Rupees Thirty Five Crore Twenty Six Lakh Seventy Eight Thousand One Hundred Twenty only) comprising of 3,52,67,812 (Three Crore Fifty Two Lakh Sixty Seven Thousand Eight Hundred Twelve) Equity shares of face value of ₹ 10/- (Rupees Ten only) each.
5. As on date of this DLOF, there are no: (i) partly paid Equity Shares; (ii) shares which are locked-in and (iii) no outstanding convertible securities which are convertible into Equity Shares (such as depository receipts, fully convertible debentures, warrants, or employee stock options), issued by the Target Company.
6. The Equity Shares of Target Company are presently listed only on BSE Limited (“BSE”) (Scrip Code: **524572** and Scrip id: **PHARMAID**). The ISIN of Equity Shares of Target Company is **INE117D01018**. The marketable lot of Target Company is 1 (One). As on the date of this DLOF, the shares of the company are trading under Enhanced Surveillance Measure (ESM) stage 2. (Source: www.bseindia.com)
7. As on the date of this DLOF, the Equity Shares of the Target Company are frequently traded on BSE, within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011. (Source: www.bseindia.com). (Further details provided in paragraph IV (Offer Price) below of this Draft Letter of Offer).
8. The Existing Promoter and Promoter Group of the Target Company are Sadhanala Venkata Rao, Padmaja Kalyani Sadhanala, Viswa Prasad Sadhanala, Pilli Meena Kumari, Rangoori Kantham, Sadhanalla Dara Kalyani, Dadi Urmila, Maharani Maheshwari Sadhanala, Baghi Rao Pankaj Sadhanala, Surekha

Prashant Dave, Suresh Kumar, Uttam P Jain, B. Venkatswamy and Kant Rao. (Source: www.bseindia.com)

9. Target Company has confirmed that neither the Company nor its promoters or directors are categorized as a willful defaulter in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011 or fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
10. The share capital structure of the Target Company as of the date of this Draft letter of offer is:

Issued and Paid-up Equity Share of Target Company	Pre – Open Offer		^Post – Open Offer	
	Number of Equity Shares /Voting Rights	% of Equity Shares/Voting Rights	Number of Equity Shares /Voting Rights	% of Equity Shares/Voting Rights
Fully paid-up Equity Shares	3,52,67,812	100%	3,52,67,812	100%
Partly paid-up Equity Shares	Nil	Nil	Nil	Nil
Total paid-up Equity Shares	3,52,67,812	100%	3,52,67,812	100%
Total Voting Rights in Target Company	3,52,67,812	100%	3,52,67,812	100%

11. As on the date of this DLOF, the composition of the Board of Directors of the Target Company is as follows:

Sr.No	DIN	Name	Designation	Date of Appointment
1.		Pattamadai Natarajasarma Vijay	Non-Executive - Independent Director	31/10/2022
2.		Venu Madhava Kaparthy	Whole-Time Director	21/05/2022
3.		Mopperthy Sudheer	Non-Executive - Independent Director	06/01/2021
4.		Mini Manikantan	Whole-Time Director	09/07/2022
5.		Methuku Nagesh	Non-Executive - Independent Director	29/11/2022
6.		Shankarappa Nagaraja Vinaya Babu	Non-Executive - Non Independent Director-Chairperson	31/01/2024
7.		Shreedhara Shetty	Non-Executive - Non Independent Director	29/08/2023

(Source: www.mca.gov.in and www.bseindia.com)

12. The key financial information of the Target Company, as extracted from its unaudited consolidated financial results for half year period ended September 30, 2024 & audited financial statement, as at and for each of the three (3) financial years ended on March 31, 2024 (consolidated), March 31, 2023 (consolidated), and March 31, 2022 (Standalone) is as set out below:

(In Lakhs)

Profit and Loss Statement				
Profit & Loss Statement	Unaudited consolidated financial statement for the half year period ended September 30, 2024	Audited financial statement for the financial year ended March 31		
		2024	2023	2022
Revenue from Operations	997.00	1,511.21	-	393.92
Other income	2.27	87.82	-	1.51
Total revenue	999.27	1,599.03	-	395.43
(2) Expenses				
Cost of materials consumed	512.45	1,026.66	-	-
Purchases of stock-in-trade	143.82	4.40		408.99
Changes In inventories of finished goods (incl. stock in-trade) and work-in-progress	72.88	116.23	88.76	(51.85)
Employee benefit expenses	586.26	919.61	113.10	4.44
Finance costs	59.58	156.83		0.27

Depreciation and amortization expense	118.07	172.49	1.68	0.92
Other Expense	278.07	764.94	787.22	0.18
Total expenses	1,771.15	3,161.06	990.76	381.41
Profit/ (loss) before exceptional items and tax	(771.88)	(1,562.14)	(990.76)	14.02
Exceptional items	(14.58)			
Profit/ (loss) before tax	(786.46)	(1,562.14)	(990.76)	14.02
Tax expenses				
Current Tax	-			
Tax paid for earlier years	0.37	-	-	-
Deferred Tax	(218.07)	(377.82)	(235.20)	(0.48)
Total Tax Expense	(217.69)	(377.82)	(235.20)	(0.48)
Profit for the year	(568.76)	(1,184.31)	(755.57)	14.51
Other comprehensive income				
(i) Items that will not be reclassified subsequently to profit or loss				
Re-measurement on defined benefit plans and equity instruments	-	(46.51)	3.48	-
Income tax effect	-	14.51	-	-
(ii) Items that will be reclassified subsequently to profit or loss				
Effective portion of gains/(losses) on hedging instrument in cash flow hedges	-	-	-	-
Income tax effect	-	-	-	-
Other comprehensive income for the year, net of taxes	-	(32.00)	3.48	-
Total comprehensive income for the year	(568.76)	(1,216.31)	(752.09)	14.51
Profit attributable to:				
Equity holders of the Holding company	(490.44)	(808.75)	(752.09)	14.51
Non-controlling interest	(78.32)	(407.55)	-	-
Profit for the year	(568.76)	(1,216.31)	(752.09)	14.51

Profit and Loss Statement				
Profit & Loss Statement	Unaudited consolidated financial statement for the half year period ended September 30, 2024	Audited financial statement for the financial year ended March 31		
		2024	2023	2022
Other comprehensive income attributable to:				
Equity holders of the Holding company	-	(11.96)	3.48	-
Non-controlling interest	-	(20.04)		-
Other comprehensive income for the year	-	(32.00)	3.48	-
Total comprehensive income attributable to:				
Equity holders of the Holding company	(490.44)	(808.75)	(752.09)	-
Non-controlling interest	(78.32)	(407.55)	-	-
Total comprehensive income for the year	(568.76)	(1,216.31)	(752.09)	14.51
Earnings per equity share				
Basic (in Rs)	(1.61)	(3.56)	(5.86)	0.14
Diluted (in Rs)	(1.61)	(3.56)	(5.86)	0.14

(In Lakhs)

Balance Sheet				
Balance Sheet Statement	Unaudited consolidated financial for the half year period ended September 30, 2024	Audited financial statement for the financial year ended March 31		
		2024	2023	2022
ASSETS				
Non-current assets				
Property, plant and equipment	3,314.49	2,834.03	10.61	3.05
Capital work-in-progress	333.21	700.10	200.00	45
Right-of-use assets	399.33	311.73	-	-
Other intangible assets	54.51	54.51	-	-
Goodwill on Business purchase	3,141.66	3,141.66	-	-
Financial assets		-	-	-
Other financial assets	63.53	58.01	8.50	-
-Non-Current Asset	-	-	-	-
-Trade and other receivables	-	-	-	141.62
-Long-term loans and advances	-	-	-	619.23
Deferred tax assets (net)	884.85	666.79	270.75	35.55
Other non-current assets	13.50	14.04	137.06	-
Total non-current assets	8,205.09	7,780.87	626.92	844.46
Current assets				
Inventories	237.10	359.14	-	88.76
Financial assets	-	-	-	-
Investments	-	-	330.52	-
Trade receivables	325.52	267.87	205.43	133.86
Cash and cash equivalents	279.20	480.40	1,275.42	40.74
Other current assets	413.54	245.79	20.19	3.38
Total current assets	1,255.35	1,353.20	1,831.55	266.76
TOTAL ASSETS	9,460.45	9,134.07	2,458.47	1,111.22
EQUITY AND LIABILITIES				
Equity				
Equity share capital	3,526.78	3,526.78	2,144.38	1,026.88
Other equity	3,188.65	3,677.91	101.63	(159.72)
Equity attributable to the owners of the Company	6,715.43	7,204.69	2,246.01	867.16
Non-controlling Interest	(233.35)	(155.03)		-
Total equity Liabilities	6,482.08	7,049.67	2,246.01	867.16
Non-current liabilities	-	-	-	-
Financial liabilities	-	-	-	-
Borrowings	598.31	358.54	-	-
Lease liabilities	319.88	246.75	-	-
Other financial liabilities	260.00	260.00	-	-
Provisions	65.72	61.54	-	-
Total non-current liabilities	1,243.91	926.83	-	-
Current liabilities		-	-	-

Financial liabilities	-	-	-	-
Borrowings	438.60	176.70	-	-
Lease liabilities	88.86	71.29	-	-
Trade payables	-	-	-	230.57
total outstanding dues of micro and small enterprises	217.95	405.41	-	-
total outstanding dues of creditors other than micro and small enterprises	371.68	106.42	188.31	-
Other financial liabilities	546.25	339.94	16.67	-
Provisions	0.22	7.61	-	-
Other current liabilities	70.89	50.21	7.49	13.49
Total Current Liabilities	1,734.46	1,157.58	212.47	244.06
TOTAL EQUITY AND LIABILITIES	9,460.45	9,134.07	2,458.47	1,111.22

Other Financial Data				
Other Financial Data	Unaudited financial results for Half period ended September 30, 2024	Audited Financial Statements for the Financial Year ending March 31		
		2024	2023	2022
Dividend (%)	-	-	-	-
Earnings Per Share (₹)	(1.61)	(3.56)	(5.86)	0.14
Return on Net worth (%)	(8.47%)	(16.88%)	33.49%	1.67%
Book Value per share (₹)	19.04	31.71	17.32	8.44

Note:

The financial information set forth above has been extracted from Target Company's unaudited consolidated financial results for half year period ended September 30, 2024 & audited financial statement, as at and for each of the three (3) financial year ended on March 31, 2024 (Consolidated), March 31, 2023 (Consolidated), and March 31, 2022 (Standalone), audited by the statutory auditors of the Target Company for the respective periods.

13. Pre and post-offer shareholding pattern of the Target Company as on January 03, 2025 is provided below*:

Shareholders' Category	Shareholding & voting rights prior to the acquisition and Open Offer		Equity Shares/ voting rights agreed to be acquired which has triggered the SEBI (SAST) Regulations, 2011		Equity Shares/ voting rights to be acquired in Open Offer (Assuming full acceptances)		Shareholding / voting rights after the acquisition and Open Offer (Assuming full acceptances)	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	^%	No.	^%	No.	^%	No.	^%
(1) Promoter and Promoter Group								
a. Parties to the agreement, if any:	-	-	-	-	-	-	-	-
b. Promoters other than (a) above	18,40,429	5.22	-	-	-	-	13,370	0.04
Total 1 (a+b)	18,40,429	5.22	-	-	-	-	13,370⁽¹⁾	0.04
(2) Acquirer & PAC								
Acquirer	70,20,854	19.91	3,27,085	0.93	91,69,632	26.00	1,65,17,571	46.83
PAC	15,68,000	4.45	-	-	-	-	15,68,000	4.45
Total 2	85,88,854	24.35	3,27,085	0.93	91,69,632	26.00	1,80,85,571⁽²⁾	51.28
(3) Parties to agreement other than (1)(a) & (2)								
Govindaraja Setty Srinivasa Mithra	2,77,085	0.79	(2,27,085)	0.64	-	-	50,000	0.14

* Based on the shareholding (from beneficiary position data) as of January 03, 2025.

Irakasandra Colony Gangadhar Megha	1,61,973	0.46	(1,00,000)	0.28	-	-	61,973	0.18
Total 3	4,39,058	1.24	(3,27,085)	0.93	-	-	1,11,973	0.32
(4) Public (other than parties to the agreement, Acquirer)								
Public	2,43,99,471	69.18	-	-	(91,69,632)	(26.00)	1,70,56,898	48.36
Total (4)	2,43,99,471	69.18	-	-	(91,69,632)	(26.00)	1,70,56,898⁽³⁾	48.36
Grand Total (1+2+3+4)	3,52,67,812	100.00	-	-	-	-	3,52,67,812	100.00

(1) Surekha Prashant Dave (9,159 shares), Suresh Kumar (Nil), Uttam P Jain (1,000 shares), Sadhanala Venkata Rao (15,50,526 shares), Padmaja Kalyani Sadhanala (1,89,146 shares), Viswa Prasad Sadhanala (19,153 shares), Pilli Meena Kumari (56,000 shares), Rangoori Kantham (1,000 shares), Sadhanala Dara Kalyani (1,000 shares), Dadi Urmila (25 shares), Maharani Maheshwari Sadhanala (25 shares) and Baghi Rao Pankaj Sadhanala (25 shares) vide their letter dated December 26, 2024, requested to the Acquirer for reclassification from "Promoter Category" to "Public Category" with no change in shareholding.

(2) Pursuant to the consummation of the Underlying Transaction and subject to compliance with the SEBI (SAST) Regulations, 2011, the Acquirer along with PAC will acquire control over the Target Company and will be identified as part of Promoter and Promoter Group of the Target Company.

(3) In the Post Public category i.e. 1,70,56,898 shares includes 18,27,059 shares which shall be reclassified from "Promoter Category" to "Public Category" post open offer as stated above in point 1.

The shareholding pattern of the Pharmaida Pharmaceuticals Limited, as on the date of DLOF is as follows:

Shareholder Category	Number of Equity Shares of the target Company	Percentage (%) of Equity Share Capital
Promoter & Promoter Group	18,40,429	5.22
Public	3,34,27,383	94.78
Total	3,52,67,812	100

14. Pursuant to the consummation of the Underlying Transaction (as contemplated under the SPA), subject to compliance with the SEBI (SAST) Regulations, 2011 the Acquirer along with PAC will acquire control over the Target Company and will become the promoters of the Target Company in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations 2015"). Further, pursuant to the consummation of the Underlying Transaction, the existing promoters except B. Venkatswamy and Kant Rao are desirous that they will cease to be the Promoters of the Target Company and to be reclassified as public shareholder in accordance with the procedures contained in the SEBI (LODR) Regulations 2015.
15. The number of Shareholders in Pharmaida Pharmaceuticals Limited in public category is **8,300** as on January 03, 2025.
16. Acquirer along with PAC have not acquired any equity shares of the Target Company after the date of PA till the date of this DLOF.
17. Target Company is not a sick company.
18. There have been certain instances where the stock exchange has levied fine against the Target Company under SEBI (LODR) Regulations, 2015. The details of the fines levied on the Target Company are provided below:

Sr. No	Competent Authority	Regulations as per SEBI (LODR) Regulations 2015	Brief Description	Fine/Penalty imposed by authority	Further Development
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1	BSE	Regulation 19(1)	Non-Composition of Nomination and remuneration committee.	Fine imposed by BSE Rs.80,240/	Company has paid a fine of ₹ 80,240 /- for Non-Composition of Nomination and remuneration committee on January 6, 2023
2	BSE	Regulation 33 and Regulation 27 (2)	Financial Results for the period ended December 2016, which was filed on February 14, 2017, was not disclosed as per SEBI LODR Regulation. Delay submission of the Corporate Governance Report.	Fine imposed by BSE Rs.13,42,840/-	Company has paid a fine of ₹ 13,42,840/- on September 29, 2022.
3	BSE	Regulation 33	Delay in submission of financial results for the quarter and year ended 31 March 2017	Fine imposed by BSE Rs.35,400/	Company has paid a fine of ₹ 35,400/- on February 10, 2024.

Further, there are no penal actions against the promoters/directors of the Target Company under SEBI (LODR) Regulations.

*** SEBI may take appropriate action against the Promoters of the Target Company in terms of SEBI (LODR) Regulations 2015 and provisions of SEBI Act for any non-compliance of SEBI (LODR) Regulations 2015.**

19. Details of delayed/non-compliances of the Promoters of the Target Company in terms of SEBI (SAST) Regulations, 2011 is given below:

Sr. No	Regulation	Financial Year	Date of Acquisition/ Disposal	Due date for compliance	Actual compliance date	Delay, if any	Status of compliance with Takeover Regulations	Remarks, if any*
1	29(2)	2021-22	28.12.2021	30.12.2021	28.12.2021	-	-	Note 1
2	30 (1) & (2)	2016-17	NA	12.04.2017	-	-	Not Complied	-
3	30 (1) & (2)	2017-18	NA	10.4.2018	-	-	Not Complied	-
4	30 (1) & (2)	2018-19	NA	09.04.2019	-	-	Not Complied	-
5	30 (1) & (2)	2019-20	NA	01.06.2020	26.05.2020	-	-	Note 2
6	30 (1) & (2)	2021-22	NA	12.04.2021	08.04.2021	-	-	Note 3
7	31(4)	2019-20	NA	01.06.2020	-	-	Not Complied	-
8	31(4)	2020-21	NA	12.04.2021	-	-	Not Complied	-
9	31(4)	2021-22	NA	11.04.2022	06.04.2022	-	-	Note 4
10	31(4)	2022-23	NA	13. 04.2023	11.05.2023	28 days	-	Note 5

Note 1: Sadhanala Venkata Rao, one of the Promoters of the Target Company has not been able to provide the proof of submission made by him under Regulation 29(2) of SEBI (SAST) Regulations, 2011. However, the said submission is available on the website of BSE. Further, in absence of proof of dispatch/delivery for the said submission, Manager to the Offer has not been able to ascertain the compliance with timelines mentioned in Regulation 29(2) of SEBI (SAST) Regulations, 2011 for the financial years 2021-22.

Note 2: Promoters i.e Suresh Kumar, Uttam P Jain, Madhukumari Bharat Kitawat, B.Venkatswamy, Pushpa Dave Hariprasad Dave, Umadevi Babulal Jain, Babulal Jain, Kanta Rao, Surekha Prashant Dave, Prashant.H Dave, Satish Chand, Abhishek Jain, Veena Lalwani, Subhash B Lalwani, Ghisulal Jain, Jayashree Sanjay Patni, Sanjay Birdichand Patni, Ghisulal R Jain and Abhilekha Jain of the Target Company have not been able to provide disclosure and proof of dispatch/delivery for the submissions made by them under Regulation 30 (1) and (2) of SEBI (SAST) Regulations, 2011 for the financial years 2019-20. However, the said submission is available on the website of BSE. Further, in absence of proof of dispatch/delivery for the said submission, Manager to the Offer has not been able to ascertain the compliance with timelines mentioned in Regulation 30 (1) and (2) of SEBI (SAST) Regulations, 2011 for the financial years 2019-20.

Note 3: Promoters of the Target Company have not been able to provide the proof of submission made by them under Regulation 30(1) and (2) of SEBI (SAST) Regulations, 2011 of the Target Company. However, the said submission is available on the website of BSE. Further, in absence of proof of dispatch/delivery for the said submission, Manager to the Offer has not been able to ascertain the compliance with timelines mentioned in Regulation 30(1) and (2) of SEBI (SAST) Regulations, 2011 for the financial years 2021-22.

Note 4: Promoters of the Target Company have sent the disclosure through company's email id to the BSE and the said submission is available on the website of BSE. Further, the disclosure is not sent to the Audit Committee as stated in Regulation 31(5) of SEBI (SAST) Regulations, 2011. Further, in absence of proof of dispatch/delivery

for the said submission to the Audit Committee, Manager to the Offer has not been able to ascertain the compliance with timelines mentioned in Regulation 31(5) of SEBI (SAST) Regulations, 2011 for the financial years 2021-22.

***Note 5:** Promoters of the Target Company have not been able to provide proof of dispatch/delivery for the submissions made by them under Regulation 31(5) of SEBI (SAST) Regulations, 2011 to the Audit Committee for the financial years 2022-23. However, the said submission is available on the website of BSE. Further, in absence of proof of dispatch/delivery for the said submission made to the Audit Committee, Manager to the Offer has not been able to ascertain the compliance with timelines mentioned in Regulation 31(5) of SEBI (SAST) Regulations, 2011 for the financial years 2022-23.*

**** SEBI may take appropriate action against the Promoters of the Target Company in terms of SEBI (SAST) Regulations 2011 and provisions of SEBI Act for any non-compliance/ delay of SEBI (SAST) Regulations 2011.***

The Target Company entered into Scheme of Amalgamation among Emergent Bio Naturals Limited (Transferor Company) with Pharmaida Pharmaceuticals Limited (Transferee Company) and their respective shareholders under section 230 to 232 read with section 66 and other applicable provisions of the companies Act, 2013. The purpose of this scheme was to give greater liquidity to the shareholders of Transferor Company since the shares to be issued to them shall be listed with the Stock Exchange.

The Target Company had received the approval order dated September 29, 2019 from Hon'ble NCLT, Hyderabad Bench on Scheme of Amalgamation among Emergent Bio Naturals Limited (Transferor Company) with Pharmaida Pharmaceuticals Limited (Transferee Company) and their respective shareholders under section 230 to 232 read with section 66 and other applicable provisions of the companies Act, 2013 with an appointed date as April 1, 2018. Further the Transferor Company was dissolved, without going through the process of winding up.

Pursuant to the scheme of amalgamation, Transferor Company has amalgamated with Transferee Company and shareholders of the Transferor Company had been allotted equity shares in the Transferee Company and such acquisition by the shareholders of the Transferor Company who became Promoters of the Target Company pursuant to the merger is exempt under Regulation 10(1)(d)(ii) of SEBI (SAST) Regulations, 2011. Further, there were 12 shareholders in the Transferor Company and out of 12 shareholders, 4 shareholders were not traceable.

VII. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A) JUSTIFICATION FOR THE OFFER PRICE

- As on the date of this DLOF, the Equity Shares of Target Company are presently listed only on BSE Limited (“BSE”) (Scrip Code: 524572 and Scrip id: PHARMAID). The ISIN of Equity Shares of Target Company is INE117D01018. The marketable lot of Target Company is 1 (One). As on the date of this DLOF, the shares of the company are trading under Enhanced Surveillance Measure (ESM) stage 2. (Source: www.bseindia.com)
- The annualized trading turnover in the Equity Shares of the Target Company on BSE based on trading volume during the (12) twelve calendar months (i.e. December 01, 2023, to November 30, 2024) prior to the month of PA is as given below:

Stock Exchange	Total no. of Equity Shares traded during the twelve calendar months prior to the month of PA	Total no. of listed Equity Shares	Annualized trading turnover (as % of Equity Shares listed)
BSE	45,38,018	3,18,48,760	14.25

(Source: www.bseindia.com)

* Weighted average number of listed equity shares on account of increase in listed capital of the Target Company in 2024.

- Based on the information provided in point above, the Equity Shares of the Target Company are frequently traded on the BSE within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations, 2011.
- The Offer Price of ₹ 62.15 (Rupees Sixty-Two Point One Five Only)/- per Equity Share has been determined, in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011, after considering the following:

Sr. No.	Particulars	Price (in ₹ per Equity Share)
a)	The highest negotiated price per share of the Target company for any acquisition under the agreement attracting the obligation to make a Public Announcement of an Offer.	₹ 35/-
b)	The volume-weighted average price paid or payable for acquisition, by the Acquirer along with PAC, during the fifty-two weeks immediately preceding the date of PA;	₹ 40.87
c)	The highest price paid or payable for any acquisition, by the Acquirer along with PAC, during the twenty-six weeks immediately preceding the date of PA	Not applicable
d)	The volume-weighted average market price of equity shares for a period of sixty trading days immediately preceding the date of the PA as traded on the BSE, being the stock exchange where the maximum volume of trading in the equity shares of the Target Company are recorded during such period	₹ 62.13/-
e)	Where the shares are not frequently traded, the price determined by the Acquirer along with PAC and the Manager taking into account valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares	Not Applicable as the Equity Shares of the Target Company are Frequently Traded.
f)	The per equity share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, 2011, if applicable	Not Applicable since the acquisition is not an indirect acquisition

- The Price and volume data of the Equity Share on BSE, being the Stock Exchange where the maximum volume of trading in the equity shares of the Target Company are recorded during the period of 60 trading days immediately preceding the date of the PA i.e. December 27, 2024, as per Regulation 8(2) of SEBI (SAST) Regulation, 2011 in set forth below:

Sr. No.	Date	Volume	Value (₹)	Sr. No.	Date	Volume	Value
1	30 Sept 2024	6,653	2,60,525	31	12 Nov 2024	1,61,597	1,33,65,229
2	01 Oct 2024	37,541	15,62,390	32	13 Nov 2024	1,13,734	93,46,383
3	03 Oct 2024	86,276	33,89,694	33	14 Nov 2024	48,180	36,89,226
4	04 Oct 2024	27,873	11,12,250	34	18 Nov 2024	31,053	22,31,985
5	07 Oct 2024	22,857	9,03,215	35	19 Nov 2024	17,586	13,23,972
6	08 Oct 2024	4,938	1,96,245	36	21 Nov 2024	23,850	17,79,200
7	09 Oct 2024	5,526	2,23,538	37	22 Nov 2024	12,089	8,81,652
8	10-Oct 2024	2,452	97,623	38	25 Nov 2024	56,988	41,50,366
9	11 Oct 2024	4,446	1,79,619	39	26 Nov 2024	15,291	11,01,724
10	14- Oct 2024	6,312	2,51,557	40	27 Nov 2024	14,751	10,37,603
11	15 Oct 2024	5,419	2,12,362	41	28 Nov 2024	12,349	8,76,159
12	16 Oct 2024	5,485	2,14,869	42	29 Nov 2024	1,83,679	1,25,05,490
13	17 Oct -2024	17,361	6,66,234	43	02 Dec 2024	66,296	42,87,868
14	18 Oct 2024	7,881	3,02,140	44	03 Dec 2024	56,891	37,43,757
15	21 Oct 2024	21,253	8,20,964	45	04 Dec 2024	50,036	32,29,313
16	22 Oct 2024	49,797	17,49,425	46	05 Dec 2024	68,855	41,87,906
17	23 Oct 2024	7,681	2,79,693	47	06 Dec 2024	33,165	19,33,866
18	24 Oct 2024	21,465	7,23,719	48	09 Dec 2024	23,840	13,25,793
19	25 Oct 2024	20,372	6,55,540	49	10 Dec 2024	44,487	23,83,946
20	28 Oct 2024	6,187	2,07,720	50	11 Dec 2024	44,137	24,39,228
21	29 Oct 2024	2,025	69,202	51	12 Dec 2024	46,938	27,44,243
22	30 Oct 2024	62,977	24,67,226	52	13 Dec 2024	62,809	38,29,288
23	31 Oct 2024	59,541	27,15,797	53	16 Dec 2024	33,756	20,01,540
24	01 Nov 2024	25,165	13,54,407	54	17 Dec 2024	4,808	2,83,569
25	04 Nov 2024	1,22,835	72,78,973	55	18 Dec 2024	27,369	16,01,297
26	05 Nov 2024	1,66,963	1,07,70,230	56	19 Dec 2024	7,698	4,59,208
27	06 Nov 2024	19,577	13,42,199	57	20 Dec 2024	6,177	3,63,230
28	07 Nov 2024	15,364	11,05,900	58	23 Dec 2024	5,718	3,28,021
29	08 Nov 2024	22,664	17,12,718	59	24 Dec 2024	7,572	4,49,046
30	11 Nov 2024	1,62,525	1,28,94,733	60	26 Dec 2024	1,12,864	68,73,357

24,21,974	15,04,74,172
Value Per Share	62.13

(Sources: www.bseindia.com)

6. In view of the above parameters considered and in the opinion of the Acquirer along with PAC and Manager to the Offer, the Offer Price of ₹ 62.15/- (Rupees Sixty-Two Point One Five Only) per equity share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.
7. The Offer Price is higher than the highest of the amounts specified in table point 4 above ₹ 62.15/- (Rupees Sixty Two Point One Five Only) per Equity shares. Accordingly, the offer price is justified in terms of SEBI SAST Regulation, 2011.
8. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations, 2011.
9. There has been no revision in the Offer Price or to the size of this Offer as on the date of this DLOF.
10. An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last one working day before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011. In the event of such revision, the Acquirer shall (i) make corresponding increases to the escrow amounts, as more particularly set out in paragraphs VII (B) of this Draft Letter of Offer; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.
11. In the event of acquisition of the Equity Shares by the Acquirer along with PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. As per the proviso to Regulation 8(8) of the SEBI (SAST) Regulations, 2011, the Acquirer along with PAC shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
12. If the Acquirer along with PAC acquire 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, then the Acquirer along with PAC shall pay the difference between the highest acquisition price and the Offer Price to all the Public Shareholders whose Equity Shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition.

B) FINANCIAL ARRANGEMENTS

1. The Total consideration for the Open Offer, assuming full acceptance under the offer, i.e. for the acquisition of 91,69,632 (Ninety One Lakh Sixty Nine Thousand Six Hundred Thirty Two) Equity Shares, at the Offer Price of ₹ 62.15/- (Rupees Sixty Two Point One Five Only) per equity share is ₹ 56,98,92,629 (Rupees Fifty Six Crore Ninety Eight Lakh Ninety Two Thousand Six Hundred and Twenty Nine Only). (**“Offer Consideration”**).
2. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, 2011, the Acquirer along with PAC has opened an escrow cash account bearing Account No: 000405162043 (**“Escrow Cash Account”**) with ICICI Bank Limited a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its office at ICICI Bank Limited, Capital Market Division, 163, 5th Floor, H. T. Parekh Marg, Backbay Reclamation, Churchgate, Mumbai-400020, Maharashtra, India and acting through its branch situated at Mumbai and made a cash deposit of ₹ 14,50,03,158/- (Rupees Fourteen Crore Fifty Lakhs Three Thousand and One fifty eight Only) in the Escrow Cash Account. The amount deposited in the escrow account is in compliance with the requirement of deposit of escrow amount as per Regulation 17 of SEBI (SAST) Regulation, 2011, i.e. more than 25% of the offer consideration payable to the Public Shareholders under this offer. The cash deposit has been confirmed by the Escrow Agent vide its letter dated December 30, 2024. Further a fixed deposit has been created against the aforesaid escrow amount and lien has been marked in favour of the Manager to the offer on the said fixed deposit.

3. The Manager to the Open Offer is duly authorized to the exclusion of all others and has been duly empowered to realize the value of the Escrow Cash Account in terms of SEBI (SAST) Regulations, 2011.
4. The liquid assets of **Shankarappa Nagaraja Vinaya Babu (“Acquirer ”)** as on December 20, 2024 is ₹ 13,055.29 /- Lakhs (Rupees Thirteen Thousand Fifty Five point Two Nine Lakhs Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91-9448343691; Email: mahendravr02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGIB5688.
5. The liquid assets of **Tumkur Trade Center Private Limited (“PAC”)** as on December 20, 2024 is ₹ 3,396.52 /- Lakhs (Rupees Three Thousand Three Hundred and Ninety Six point Five Two Lakhs Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91- 9448343691; Email: mahendravr02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGIA8572.
6. The Acquirers along with PAC have confirmed that they have adequate financial resources to meet their obligations under the Open Offer and have made firm financial arrangements for financing the acquisition of the Offer Shares, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011.
7. Based on the above, Saffron Capital Advisors Private Limited, Manager to the Offer, is satisfied that firm arrangements have been put in place by the Acquirer along with PAC to implement the Open Offer in full in accordance with the SEBI (SAST) Regulations, 2011.
8. In case of any upward revision in the Offer Price or the size of this Offer, the value in cash of the Escrow amounts shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded by the Acquirer along with PAC, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.

VIII. TERMS AND CONDITIONS OF THE OFFER

1. The Tendering period will commence on Tuesday, February 18, 2025, and will close on Wednesday, March 05, 2025.
2. The Equity Shares offered under this Offer should be free from all lien, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.
3. This is not a Conditional Offer and there is no stipulation on any minimum level of acceptance.
4. The Identified date for this Offer is Tuesday, February 04, 2025. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer.
5. Target Company has signed agreements with Depositories for offering Shares in dematerialized form. The ISIN Number is **INE117D01018**. (Source: www.bseindia.com)
6. The Marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1(One). (Source: www.bseindia.com)
7. None of the Equity Shares of the Target Company are subject to Lock-in.
8. Locked-in Equity Shares, if any, may be tendered in the Open Offer and transferred to the Acquirer subject to the continuation of the residual lock-in period in the hands of the Acquirer, as may be permitted under applicable law. It is the sole responsibility of the seller to ensure that the locked-in Equity Shares are free from lock-in before such transfer to Acquirer. The Manager to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.
9. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, 2011, the Public Shareholders who tender their equity shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the tendering period.
10. The Acquirer along with PAC, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
11. 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 Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the date of closure of the Tendering Period.

A) ELIGIBILITY FOR ACCEPTING THE OFFER

1. The Letter of Offer shall be mailed to all Eligible Shareholders/Beneficial Owners (except the Acquirer along with PAC and the Promoters) whose names appear in register of Target Company as on Tuesday, February 04, 2025, the Identified Date.
2. This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.
3. The Public Shareholders who have registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through electronic means. If Public Shareholders who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Registrar to the Offer at the address or email id mentioned on the cover page of the Letter of Offer by stating such Shareholder's name, address, number of Equity Shares held on Identified Date, client ID number, DP name / ID, beneficiary account number and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to

such Public Shareholder. The Public Shareholders who have not registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.

4. All Public Shareholders holding the shares in dematerialized form are eligible to participate in this Open Offer at any time during the period from Offer Opening Date till the Offer Closing Date (“**Tendering Period**”) for this Open Offer. Further, in accordance with the Frequently Asked Questions issued by SEBI, “FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting” dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, or the Form of Acceptance from the SEBI’s website.
5. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Equity Shares are clear from all lien, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Open Offer, together with all the rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof and in accordance with the terms and conditions set forth in the PA, the DPS, the DLOF and as will be set out in the Letter of Offer, and the tendering of Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
6. The acceptance of this Offer by the Eligible Shareholders of 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.
7. The acceptance of this Offer is entirely at the discretion of the Eligible Shareholder(s)/Beneficial owner(s) of Target Company.
8. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.
9. The Acquirer along with PAC reserve the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period, in accordance with the SEBI (SAST) Regulations, 2011 and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer along with PAC would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Letter of Offer.
10. For any assistance, please contact the Manager to the Offer or the Registrar to the Offer.

B) STATUTORY AND OTHER APPROVALS

1. As on the date of DLOF, there are no statutory approvals required by the Acquirer along with PAC to complete the Underlying Transaction and this Open Offer. However, in case of any such statutory approvals are required by the Acquirer along with PAC at a later date before the expiry of the tendering period, this Offer shall be subject to such approvals and the Acquirer along with PAC shall make the necessary applications for such statutory approvals.
2. All Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals/consents required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI held by them), in the Offer and submit such approvals, along with the other documents required to accept this Offer. If the holders of the Equity Shares who are persons resident outside India (including OCBs, FIIs/FPIs and NRIs) has required are had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them. Further, such non-resident holders of the Equity Shares, if any, must also obtain all requisite approvals/exemptions required (including without limitation, the approval from the RBI), if any, to tender the Equity Shares held by them in this Offer and submit such approvals/exemptions along with the documents required to accept this Offer. If the

aforementioned documents are not submitted, the Acquirer along with PAC reserves the right to reject such Equity Shares tendered in this Offer. Shareholders should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

3. Where any statutory or other approval extends to some but not all of the Shareholders, the Acquirer along with PAC shall have the option to make payment to such Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
4. Subject to the receipt of the statutory and other approvals, if any, the Acquirer along with PAC shall complete payment of consideration within 10 Working Days from the closure of the tendering period to those Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirer along with PAC.
5. In case of delay/non-receipt of any statutory and other approvals, if any, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that the non-receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer along with PAC to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirer along with PAC to the Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulations 18(11) and 18(11A) of the SEBI (SAST) Regulations, 2011.
6. In terms of Regulation 23 of the SEBI (SAST) Regulations, 2011, in the event that the approvals specified in paragraph VIII (B) (Statutory and Other Approvals) of this DLOF or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirer along with PAC, then the Acquirer along with PAC shall have the right to withdraw the Open Offer. The following conditions under which the Acquirer along with PAC can withdraw the Open Offer, as provided in Regulation 23(1) of the SEBI (SAST) Regulations, 2011 are:
 - (i) statutory approvals required for the open offer or for effecting the acquisitions attracting the obligation to make an open offer under these regulations having been finally refused, subject to such requirements for approval having been specifically disclosed in the detailed public statement and the Letter of Offer;
 - (ii) the Acquirer, being a natural person, has died;
 - (iii) any condition stipulated in the agreement for acquisition attracting the obligation to make the open offer is not met for reasons outside the reasonable control of the acquirer along with PAC, and such agreement is rescinded, subject to such conditions having been specifically disclosed in the detailed public statement and the letter of offer, provided that an acquirer along with PAC or
 - (iv) such circumstances as in the opinion of the Board, merit withdrawal.

In the event of such a withdrawal of the Open Offer, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to BSE, SEBI and the Target Company at its registered office.

IX. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. All the Public Shareholders, registered or unregistered, holding the shares in dematerialized form or physical form, are eligible to participate in this Open Offer at any time during the period from Offer Opening Date and Offer Closing Date (“**Tendering Period**”) for this Open Offer. Please refer to Paragraph 2 below for details in relation to tendering of Offer Shares held in physical form.
2. As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and SEBI’s press release dated December 3, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 01, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations, 2011.
3. Shareholders who wish to offer their physical Equity Shares in the Offer are requested to send their original documents as will be mentioned in the LOF to the Registrar to the Offer so as to reach them no later than the Offer Closing Date. It is advisable to first email scanned copies of the original documents as will be mentioned in the LOF to the Registrar to the Offer and then send physical copies to the address of the Registrar to the Offer as will be provided in the LOF. The process for tendering the Offer Shares by the Public Shareholders holding physical Equity Shares will be separately enumerated in the LOF.
4. 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 i.e., the date falling on the 10th Working Day prior to the commencement of Tendering Period, 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 Open Offer. Accidental omission to send the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way.
5. The Open Offer will be implemented by the Acquirer along with PAC through Stock Exchange Mechanism made available by BSE Limited (BSE) in the form of separate window (Acquisition Window) as provided under the SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.
6. BSE shall be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.
7. The Registrar to the Offer would be accepting the documents by Hand delivery/Registered Post/Speed Post/Courier at the following specified center:

Name and Address of the entities (registrar) to whom the shares should be sent including name of the contact person, telephone no., fax no. and email address etc.	Working days and timings	Mode of delivery
Cameo Corporate Services Limited Subramanian Building, No.1, Club House Road, Chennai- 600002, Tamil Nadu, India; Tel: +91 44 40020700 / 40020706/ 40020741 / 40020780; Fax: +91 44 28460129; E-mail: priya@cameoindia.com ; Investor Grievance ID: investor@cameoindia.com ; Website: www.cameoindia.com ; Contact Person: Sreepriya. K SEBI Registration No.: INR000003753	Any working day (i.e., Monday to Friday and not being a bank holiday) between 10:30 a.m. to 5:00 p.m.	Hand Delivery/ Registered Post/Speed Post /Courier

8. The Acquirer along have appointed Choice Equity Broking Private Limited as their broker for the Open Offer (“**Buying Broker**”) through whom the purchases and the settlement of the Open Offer shall be made during the tendering period. The contact details of the Buying Broker are as mentioned below:

Name	Choice Equity Broking Private Limited
Address	Sunil Patodia Tower, J B Nagar, Andheri (East), Mumbai-400099, Maharashtra, India
Contact Person:	Mr. Jeetender Joshi (Senior Manager)
Telephone	+ 91 22-67079832
E-mail id	jeetender.joshi@choiceindia.com
Website	www.choiceindia.com
Investor Grievance Email id	ig@choiceindia.com
SEBI Registration No.	INZ000160131

In the event Selling Broker(s) are not registered with BSE or if the Public Shareholder does not have any stockbroker, then that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Public Shareholder is not able to bid using quick UCC facility through any other BSE registered stockbroker then the Public Shareholder may approach Buying Broker viz. Choice Equity Broking Private Limited, to bid by using quick UCC facility.

9. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by such Public Shareholders on a proportionate basis in consultation with the Manager to the Open Offer.
10. The Equity Shareholders will have to ensure that they keep a Demat Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.
11. All the shareholders who desire to tender their Equity Shares under the Open Offer would have to intimate their respective stockbroker (“**Selling Broker**”) during the normal trading hours of the secondary market during the Tendering Period. Upon placing the bid, the Selling Broker(s) shall provide the Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the shareholder. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of equity shares tendered etc.
12. A separate Acquisition Window will be provided by BSE to facilitate the placing of orders. The Selling Broker can enter orders for physical and dematerialised Equity Shares. During the Tendering Period, the bid for selling the Equity Shares will be placed in the Acquisition Window by Public Shareholders through their respective Selling Broker during normal trading hours of the secondary market. The Buying Broker may also act as Selling Broker for Public Shareholders.
13. The cumulative quantity tendered shall be displayed on Designated Stock Exchange’s website (www.bseindia.com) throughout the trading session at specific intervals by Designated Stock Exchange during the Tendering Period.
14. Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
15. The details of the settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the Offer Opening Date.
16. Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant).
17. Equity Shareholders who wish to bid /offer their physical shares in the Offer are requested to send their original documents as mentioned in the LOF to the Registrar to the Offer so as to reach them within 2 days from closure of the tendering period. It is advisable to email scanned copies of the original documents mentioned in the LOF, first to the Registrar to the Offer then send physical copies to the Registrar’s address as provided in the LOF.
18. Equity Shares should not be submitted / tendered to the Manager, the Acquirer along with PAC or the Target Company.

Procedure for tendering Equity Shares held in dematerialised form.

1. Public Shareholders who are holding Equity Shares in dematerialized form and who desire to tender their Equity Shares in dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
2. Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant)
3. In the event Selling Broker(s) are not registered with BSE or if the Public Shareholder does not have any stock broker, that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. The Public Shareholder approaching BSE registered stock broker (with whom it does not have an account) may have to submit following details:

In case of Shareholder being an individual

(a) If Shareholder is registered with KYC Registration Agency (“KRA”): Forms required:

- i. Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable
- ii. Know Your Client (KYC) form Documents required (all documents self-attested):
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

If Shareholder is not registered with KRA: Forms required:

- i. CKYC form including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. KYC form Documents required (all documents self-attested):
PAN card copy
Address proof
Bank details (cancelled cheque)
- iv. Demat details (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Shareholder is HUF:

(a) If Shareholder is registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KYC form documents required (all documents self-attested):
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

(b) If Shareholder is not registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. Know s

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Shareholder other than Individual and HUF:

(a) If Shareholder is KRA registered: Form required

- i. Know Your Client (KYC) form Documents required (all documents certified true copy)
Bank details (cancelled cheque)
- ii. Demat details (Demat master /Latest Demat statement)
- iii. FATCA, IPV, OSV if applicable
- iv. Latest list of directors/authorized signatories/partners/trustees
- v. Latest shareholding pattern
- vi. Board resolution
- vii. Details of ultimate beneficial owner along with PAN card and address proof
- viii. Last 2 years financial statements

If Shareholder is not KRA registered: Forms required:

- i. KRA form
- ii. Know Your Client (KYC) form Documents required (all documents certified true copy):

- PAN card copy of company/ firm/trust
- Address proof of company/ firm/trust
- Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)
- iv. FATCA, IPV, OSV if applicable
- v. Latest list of directors/authorized signatories /partners/trustees
- vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees
- vii. Latest shareholding pattern
- viii. Board resolution/partnership declaration
- ix. Details of ultimate beneficial owner along with PAN card and address proof
- x. Last 2 years financial statements
- xi. MOA/Partnership deed /trust deed

It may be noted that, other than submission of above forms and documents, in person verification may be required.

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

4. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of BSE. Before placing the order/bid, the Public Shareholder would be required to make early pay-in as per the mechanism prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker. As provided under the SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023, a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the Public Shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the annexure to the said circular. All other procedures shall remain unchanged. The shareholders are advised to refer to the above circular of SEBI for placing of orders.
5. Upon placing the order, the Selling Broker shall provide TRS generated by the Stock Exchange bidding system to the holder of the Equity shares. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered etc.
6. For custodian participant, orders 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.
7. Eligible Shareholders shall submit Delivery Instruction Slips (“DIS”) duly filled in specifying market type as “**Open Offer**” and execution date along with all other details to their respective depository participant / Selling Broker so that Equity Shares can be tendered in this Offer.
8. The Eligible Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.
9. **The Eligible Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement.** The Eligible Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of the Offer Period.
10. The details of the settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchange / Clearing Corporation, before the opening of the Offer.
11. The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
12. Modification/cancellation of orders will not be allowed during the Tendering Period of the Offer.

13. The reporting requirements for non-resident shareholders under the Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Public Shareholder and/ or their Selling Broker.

Procedure for tendering Equity Shares held in Physical form.

1. In accordance with the Frequently Asked Questions issued by SEBI, “FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting” dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, and BSE notice no 20200528-32 dated 28 May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. The Eligible Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Broker and submit complete set of documents for verification procedure as mentioned below:
 - a. Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
 - b. Original share certificate(s).
 - c. 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 Target Company and duly witnessed at the appropriate place.
 - d. Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
 - e. Attestation of signature(s) of all the holder(s) by Bankers in form ISR-2 (can be downloaded online https://www.sebi.gov.in/sebi_data/commondocs/nov-2021/Form%20ISR-2_p.pdf)
 - f. Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature); and

In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the ‘Register of Members’ of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar card, (ii) voter identity card; or (iii) passport.

2. Based on these documents, the Selling Broker shall place the bid on behalf of the Eligible Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of BSE. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“**TRS**”) generated by the BSE bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, share certificate number, distinctive number of Equity Shares tendered etc.
3. After placement of order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other required documents either by registered post / speed post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page within 2 (two) days of bidding by the Selling Broker and not later than 2 (two) days from the Offer Closing Date (by 5 PM IST). The envelope should be superscribed as “**PHARMAIDS PHARMACEUTICALS LIMITED - OPEN OFFER**”. One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
4. Public Shareholders holding shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the shares by the Acquirer along with PAC shall be subject to verification of documents. The Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and until such time as the BSE shall display such orders as ‘unconfirmed ‘physical bids’. Once the Registrar to the Offer confirms the orders it will be treated as ‘confirmed bids’. Orders of Public Shareholders whose original share certificate(s) and other documents along with TRS are not received by the Registrar to the Offer 2 (Two) days after the Offer Closing Date shall be liable to get rejected.
5. In case any person has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before Offer Closing Date i.e. Wednesday, March 05, 2025 or else their application will be rejected.
6. All documents mentioned above shall be enclosed with the Form of Acceptance, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the

following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Form of Acceptance instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance and Form SH-4 does not match as per the specimen signature recorded with Target Company / registrar of the Target Company and/or form ISR2 is not submitted.

7. **Eligible Shareholders holding Equity Shares in physical mode will be required to fill the respective Forms of Acceptance cum Acknowledgment.** Eligible Shareholders holding Equity Shares in physical mode will be sent respective Form of Acceptance cum Acknowledgment along with the Letter of Offer. Detailed procedure for tendering such Equity Shares will be included in the Form of Acceptance cum Acknowledgment.

Acceptance of Equity Shares

- a) The registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- b) In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares offered, the Acquirer shall accept those Equity Shares validly tendered by the Public 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 nonmarketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
- c) SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023, in consultation with Depositories, Clearing Corporations and Stock Exchanges, it has been decided that a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the Annexure. All other procedures shall remain unchanged.
- d) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer along with PAC will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.

Procedure for tendering the Equity Shares in case of non-receipt of Draft Letter of Offer

1. Eligible Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date i.e. Tuesday, February 04, 2025, 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.
2. **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum Acknowledgment.
3. The LOF along with a Form of Acceptance, will be dispatched to all the Public Shareholders of the Target Company (through electronic mode or physical mode), whose names appear on the register of members of the Target Company and to the beneficial owners of the Target Company in dematerialized form or physical form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date i.e. Tuesday, February 04, 2025 to the Offer.
4. **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 within 2 (Two) days from the Closing Date.

5. **In case of non-receipt of the Letter of Offer, such Eligible Shareholders of the Target Company may download the same from the SEBI website (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.** The Letter of Offer along with the Form of Acceptance cum Acknowledgment (FOA) would also be available at SEBI's website, (www.sebi.gov.in), and Eligible Shareholders can also apply by downloading such forms from the said website.
6. Alternatively, in case of non-receipt of the LOF, the Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all Shareholder(s), stating name, address, number of shares held, client identification number, depository participant name, depository participant identification number, number of shares tendered, and other relevant documents as mentioned. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by the Stock Exchange before the closure of the Tendering Period.

Settlement Process

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 of accepted Equity Shares tendered in this Offer shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
2. The settlement of trades will be carried out in a manner similar to settlement of trades in the Acquisition Window Circulars.
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 Eligible Shareholders will receive funds payout 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, if the pay-outs are rejected by the Eligible Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Broker's settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Eligible Shareholders. The Eligible Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
4. The funds payout pertaining to the bids of NRIs, foreign shareholders and/or bids confirmed by custodians, will be transferred to the Selling Broker's settlement accounts or the settlement bank account of the custodian, in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
5. The Public Shareholders 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 non-acceptance of the Equity Shares tendered under the Offer.
6. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned to the Equity Shareholders directly by the Registrar.
7. The direct credit of Equity Shares will be given to the demat account of Acquirer as indicated by the Buying Broker.
8. 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 demat account of Acquirer.
9. Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Shareholder(s) directly by Registrar to the Offer.
10. Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer.
11. In the event of partial or non-acceptance of orders the balance demat Equity Shares will be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares will be

released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

12. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Shareholders'/ unregistered owners' sole risk to the sole/ first Shareholder/ unregistered owner. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in an event the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form.
13. 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 Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
14. If Public Shareholders' bank account details are not available or if the fund transfer instruction is rejected by the RBI or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Eligible Shareholder.
15. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, 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 Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Target Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
16. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer along with PAC for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to Acquirer along with PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

X. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE IT ACT (AS AMENDED BY FINANCE ACT, 2024) AND THE REGULATIONS THEREUNDER.

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 PUBLIC 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, PUBLIC 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 ALONG WITH PAC DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, PUBLIC 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 IT ACT.

GENERAL

- a) 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) 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.
- c) 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.

- d) 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.
- e) 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 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.
- f) 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.
- g) 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.
- h) 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.

Classification of Shareholders

Public Shareholders can be classified under the following categories:

Resident Shareholders being:

1. Individuals, Hindu Undivided Family (“HUF”), Association of Persons (“AOP”) and Body of Individuals (“BOI”)
2. Others
 - a. Company
 - b. Other than company

Non-Resident Shareholders being:

1. Non-Resident Indians (“NRIs”)
2. Foreign Institution Investors (FIIs)/ Foreign Portfolio Investors (FPIs)
3. Others:
 - a. Company
 - b. Other than company

Classification of Shares:

Shares can be classified under the following two categories:

a) Shares held as investment (Income from transfer of such shares taxable under the head “**Capital Gains**”)

b) 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.

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.

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”:

a) 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”).

b) 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”).

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

Where a transaction for transfer of such Equity Shares (i.e., acceptance under the Open offer) is transacted through a Recognized Stock Exchange and is chargeable to STT, then the taxability will be as under (for all categories of shareholders):

- a) As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding one lakh Twenty Five Thousand rupees will be taxed at a rate of 12.50 percent without allowing benefit of indexation for resident shareholders and at a rate of 12.50 percent without allowing benefit of indexation and foreign exchange fluctuation for non-resident shareholders, provided the same has been subjected to STT, upon acquisition and sale.

If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by CBDT vide Notification No. 60/2018 dated October 1, 2018 in order to get benefit of taxation at 10% under Section 112A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.

- b) LTCG that arise on shares purchased prior to February 1, 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.

- c) 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 Thousand only).
- d) 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):
- i. LTCG will be chargeable to tax at the rate of 20% (plus applicable surcharge and health and education cess) or 12.5% (plus applicable surcharge and health and education cess) without allowing benefit of indexation, in the case of a non-resident Public Shareholder (other than a 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.
 - ii. In the case of FIIs/FPIs, LTCG would be taxable at 12.50% (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).
 - iii. For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 12.5% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost shall not be available.
 - iv. For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (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.

- v. 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.
- e) 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% under section 111A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
- f) 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.
- g) 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%.
- h) 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.
- i) 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.
- j) 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.

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.

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.

Shares held as Stock-in-Trade:

- a) 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."
- b) Resident Shareholders

Profits of:

- i. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- ii. Domestic companies having turnover or gross receipts not exceeding ₹ 400 crores in the relevant financial year as prescribed will be taxable @ 25%.
- iii. Domestic companies which have opted for concessional tax regime under Section 115BAA will be taxable at 22%.
- iv. For persons other than stated above, profits will be taxable @ 30%.
- v. No benefit of indexation by virtue of period of holding will be available in any case

Profits of:

c) 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.

d) Where DTAA provisions are not applicable: i. No benefit of indexation by virtue of period of holding will be available in any case.

ii. For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.

iii. For foreign companies, profits would be taxed in India @ 40%.

iv. For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, surcharge and health and education cess are leviable for resident and non-resident shareholders.

e) **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.

Tax Deduction at Source

a) Resident Shareholders: In absence of any specific provision under the IT Act, the Acquirer along with PAC 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.

b) Non-Resident Shareholders:

i. 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:

ii. In case of non-resident tax payer (other than FIIs):

- 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 along with PAC before remitting the consideration. The Acquirer along with PAC shall deduct tax in accordance with such TDC.

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 along with PAC 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.

However, the Acquirer along with PAC 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 along with PAC to deduct

taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer along with PAC to the non-resident shareholders.

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 along with PAC 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. The non-resident shareholders must file their tax return in India inter-alia considering gains arising pursuant to this Offer in consultation with their tax advisors.

In the event the Acquirer along with PAC 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 along with PAC is entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirer along with PAC, 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.

Remittance/Payment of Interest:

a) In case of interest, if any, paid by the Acquirer along with PAC to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer along with PAC depending on the settlement mechanism for such interest payments. In the event, the Acquirer along with PAC 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 along with PAC. 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 categorization of the interest, whether as capital gains or as other income). In the event the Acquirer along with PAC 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 along with PAC should be indemnified.

b) 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 along with PAC, 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.

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 crores.

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

iii. In case of individuals, HUF, AOP, BOI:

Surcharge at the rate of 10% is leviable where the total income exceeds ₹ 50 lakhs 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 crores.

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

Surcharge at the rate of 37% is leviable where the total income exceeds ₹ 5 crores.

However, for the purpose of income chargeable under section 111A, 112, 112A and 115AD(1)(b) (for income chargeable to tax under the head capital gains), the surcharge rate shall not exceed 15%.

In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds ₹ 1 crore.

Cess: Cess Health and Education Cess @ 4% is currently leviable in all cases.

THE ABOVE DISCLOSURE 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. 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.

XI. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Shareholders at the office of the Manager to the Offer at Centre Point, 605, 6th Floor, J.B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai- 400059 and also electronically (*as mentioned below*) on any working day (i.e. Monday to Friday and not being a bank holiday in Mumbai) between 10:30 a.m. to 1:00 p.m. from the date of opening of the Offer until the closure of this Offer.

The Public 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 Public Shareholder is a corporate body) with a subject line [**“Documents for Inspection – Pharmajids Pharmaceuticals Limited Open Offer”**], to the Manager to the Open Offer at openoffers@saffronadvisor.com; and upon receipt and processing of the received request, access can be provided to the respective Public Shareholders for electronic inspection of documents.

1. Certificate of Incorporation, Memorandum and Articles of Association of Target Company.
2. Copy of the Net worth of Acquirer as on December 20, 2024 is ₹ 25,369.63 /- Lakhs (Rupees Twenty Five Thousand Three Hundred and Sixty Nine point Six Three Lakhs Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91- 9448343691; Email: mahendravr02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGID7543.
3. Copy of the Net worth of PAC as on December 20, 2024 is ₹ 1354.30 /- Lakhs (Rupees One Thousand Three Hundred Fifty Four point Three Zero Lakhs Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91- 9448343691; Email: mahendravr02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGIC9961.
4. Copy of liquidity certificate of Acquirer as on December 20, 2024 is ₹ ₹ 13,055.29 /- Lakhs (Rupees Thirteen Thousand and Fifty Five point Two Nine Lakhs Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91- 9448343691; Email: mahendravr02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGIB5688.
5. Copy of liquidity certificate of PAC as on December 20, 2024 is ₹ 3,396.52 /- Lakhs (Rupees Three Thousand Three Hundred and Ninety Six point Five Two Only) as certified by CA V. Mahendra (Membership No. 211781), Proprietor of V. Mahendra & Associates, Chartered Accountants, Firm registration Number: 025356S, having their office at Kushal Central, 2nd Floor, Opposite to Krishna Theatre, MG Road, Tumkur - 572101, Karnataka, India; Mobile Number: +91- 9448343691; Email: mahendravr02@gmail.com ; vide certificate dated December 20, 2024 bearing Unique Document Identification Number (UDIN) – 24211781BKEGIA8572.
6. Copies of Annual reports of the Target Company for the financial years ending March 31, 2024, March 31, 2023, and March 31, 2022 & unaudited financial results for period ended September 30, 2024
7. Copy of Escrow Agreement dated December 27, 2024, between the Acquirer, Manager to the Offer and Escrow Bank.
8. Copy of letter dated December 30, 2024, from the Escrow Bank, confirming the amount kept in the Escrow Account and a lien in favour of the Manager to the offer.
9. Copy of Share Purchase Agreement dated December 27, 2024 executed between the Acquirer, Target Company and Sellers which triggered the Open Offer.

10. Copy of Public Announcement dated December 27, 2024, published copy of the Detailed Public Statement dated January 03, 2025
11. Observation letter bearing reference number [●] dated [●] received from SEBI.
12. Copy of the recommendation made by the Target Company's committee of independent directors constituted by the Board of Directors published in the newspapers;

XII. DECLARATION BY THE ACQUIRER ALONG WITH PAC

1. The Acquirer along with PAC accept the responsibility for the information contained in the PA, DPS and this DLOF and also for the obligations of the Acquirers along with PAC laid down in the SEBI (SAST) Regulations, 2011 in respect of the Open Offer.
2. The Acquirer along with PAC shall severally and jointly be responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations, 2011 and for its obligations as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments thereto.
3. The information pertaining to the Target Company contained in the PA, the DPS and this DLOF or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or publicly available sources. The information pertaining to the Sellers contained in the PA, the DPS, the DLOF, the LOF or any other advertisement/publications made in connection with the Open Offer has been obtained from the Sellers. The Acquirer along with PAC does not accept any responsibility with respect to any information provided in the PA, the DPS and this DLOF pertaining to the Target Company or the Sellers.

ISSUED BY MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRER ALONG WITH PAC

ACQUIRER	PAC
Shankarappa Nagaraja Vinaya Babu Sd/- Email Id: snvinaybabu@gmail.com	Tumkur Trade Center Private Limited Sd/- Email Id: teamsnv14@gmail.com

Place: Tumkur

Date: January 10, 2025