

# OVOBEL FOODS LIMITED

CIN: L85110KA1993PLC013875

Registered Office: Ground Floor, No. 46 Old No. 32/1, 3rd Cross, Aga Abbas Ali Road, Ulsoor, Bangalore - 560 042  
Tel. No.: +91 80 2559 4145-46, Website: www.ovobelfoods.com

**Open Offer for acquisition of upto 2,730,208 Equity Shares of face value of Rs. 10 each of Ovobel Foods Limited (the "Target Company") representing 26.00% of the total Paid-up and Voting Share Capital of the Target Company from the Eligible Shareholders (as defined below) by Mr. M P Satish Babu ("Acquirer 1"), Mr. Sharad M S ("Acquirer 2"), Mrs. Sukanya Satish ("Acquirer 3"), Mr. Syed Fahad ("Acquirer 4") and Mr. Bhavihal Gurusiddappa Channappa ("Acquirer 5") (collectively known as "Acquirers") 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 from time to time ("SEBI SAST Regulations") (the "Open Offer"/ "Offer").**

This detailed public statement ("Detailed Public Statement") is being issued by Sundae Capital Advisors Private Limited, the Manager to the Offer ("Manager" / "Manager to the Offer") for and on behalf of the Acquirers to the Eligible Shareholders of the Target Company pursuant to and in compliance with Regulation 3(1), Regulation 4 read with Regulation 13(4), Regulation 14(3), Regulation 15(2) and Regulation 15(3) of the SEBI SAST Regulations. This Detailed Public Statement is issued pursuant to the public announcement dated October 22, 2020 filed by the Acquirers under the applicable provisions of the SEBI SAST Regulations in relation to the Open Offer to the Stock Exchange (as defined below) on October 22, 2020 (the "Public Announcement"). The Public Announcement was sent to the Target Company and the Securities and Exchange Board of India ("SEBI") on October 22, 2020.

For the purpose of Detailed Public Statement, the following terms shall contain meaning as under:

Particulars	Details / Definition
<b>Acquirers</b>	Collectively the Acquirer 1, Acquirer 2, Acquirer 3, Acquirer 4 and Acquirer 5
<b>Acquirer 1</b>	Mr. M P Satish Babu
<b>Acquirer 2</b>	Mr. Sharad M S
<b>Acquirer 3</b>	Mrs. Sukanya Satish
<b>Acquirer 4</b>	Mr. Syed Fahad
<b>Acquirer 5</b>	Mr. Bhavihal Gurusiddappa Channappa
<b>Eligible Shareholders</b>	All the shareholders of the Target Company excluding the Promoters of the Target Company / Sellers and the Acquirers
<b>Promoter</b>	Existing promoter of the Target Company, viz. Mr. Utsav Parekh, Mr. Shanti Swarup Aggarwal, Ms. Vinita Agarwal, Ms. Sadhana Aggarwal, Ms. Anisha Aggarwal, Ms. Natasha Aggarwal, Induss Food Products and Equipments Limited and Ovobel S.A. Belgium
<b>Sellers</b>	Promoters of the Target Company namely, Mr. Shanti Swarup Aggarwal, Ms. Vinita Agarwal, Ms. Sadhana Aggarwal, Ms. Anisha Agarwal, Ms. Natasha Agarwal, Induss Food Products and Equipments Limited, Mr. Utsav Parekh, Ovobel S.A. Belgium and other shareholders forming part of the public shareholding of the Target Company namely Mr. Samarth Parekh, Ms. Nilagni Parekh, Progressive Star Finance Private Limited and Mr. Saharsh Parekh
<b>Share Purchase Agreements / SPA</b>	Share Purchase Agreement 1 and Share Purchase Agreement 2, collectively
<b>Share Purchase Agreement 1/SPA1</b>	Share Purchase Agreement dated October 22, 2020 whereby 4,776,809 (Forty Seven Lakhs Seventy Six Thousand Eight Hundred and Nine) Equity Shares agreed to be acquired by the Acquirers collectively at a price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) (rounded off) per Equity Share aggregating to Rs. 236,004,773 (Rupees Twenty Three Crore Sixty Lakhs Four Thousand Seven Hundred Seventy Three only) as under (i) 3,990,109 equity share representing 38.00% of the paid-up equity capital and voting rights of the Target Company from the existing promoters of the Target Company, namely Mr. Shanti Swarup Aggarwal, Ms. Vinita Agarwal, Ms. Sadhana Aggarwal, Ms. Anisha Agarwal, Ms. Natasha Agarwal, Induss Food Products and Equipments Limited and Mr. Utsav Parekh; and (ii) 786,700 equity share representing 7.49% of the paid-up equity capital and voting rights of the Target Company from public shareholders namely Mr. Samarth Parekh, Ms. Nilagni Parekh, Progressive Star Finance Private Limited and Mr. Saharsh Parekh.
<b>Share Purchase Agreement 2/SPA2</b>	Share Purchase Agreement dated October 22, 2020 whereby 1,484,691 (Fourteen Lakhs Eighty Four Thousand Six Hundred and Ninety One) Equity Shares agreed to be acquired by Mr. M P Satish Babu and Mr. Syed Fahad at a price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) (rounded off) per Equity Share aggregating to Rs. 73,353,187 (Rupees Seven Crore Thirty Three Lakhs Fifty Three Thousand One Hundred Eighty Seven only) from Ovobel S.A. Belgium
<b>Stock Exchange</b>	BSE Limited

## 1. Details of the Acquirers

### 1.1 Mr. M P Satish Babu ("Acquirer 1")

- (a) M P Satish Babu, s/o Sh. Ramanathur Ramsetty Padmanabhasetty, aged 59 years, is a resident of India currently residing at No. 83, 11th Main, 9th Cross, Saraswathipuram, Mysore - 570 009. He holds a degree in Bachelor of Business Management (B.B.M) and has completed I.C.W.A.I. Intermediate. He has an experience of over 40 years in the poultry farming business and has re-structured his unorganized family poultry farming business into an organized setup under the brand of "Ashraya Farms", a proprietorship firm. He is also the zonal Chairman for N.E.C.C, which is the premier industry body for layer egg farming in India for the past 15 years. The PAN of Acquirer 1 is AGAP54996F.
- (b) The net worth of Acquirer 1 is Rs. 29.73 crore as on March 31, 2020 as certified vide certificate dated October 24, 2020 by B. N. Ashok Kumar (Membership no. 020712), Proprietor of B N Ashok Kumar and Co., Chartered Accountants (Firm Registration No. 0002505) (UDIN: 20020712AAAACP5396).
- (c) Acquirer 1 does not hold any directorship or interest in any entity except for the poultry business operated by him in the proprietorship firm titled "Ashraya Farms".
- (d) DIN of Acquirer 1 is 02504337. Acquirer 1 is disqualified by Ministry of Corporate Affairs for appointment as director till October 31, 2021. Currently, Acquirer 1 does not hold directorship in any listed company.
- (e) Acquirer 1 holds 64,800 Equity Shares of the Target Company as on date of the Detailed Public Statement. Acquirer 1 will further acquire 1,000,500 Equity Shares pursuant to SPA.
- (f) "Ashraya Farms", a Proprietorship firm owned by Mr. M P Satish Babu, has undertaken routine commercial transaction in the ordinary course of business with the Target Company, details of which are as under: (in Rs.)

Nature of transaction	2019-20	2018-19	2017-18
Sale of eggs	15,59,65,649	9,30,55,428	10,09,96,696

Except as above, Acquirer 1 does not have any interest in the Target Company.

- (g) In the past, the Acquirer 1 was not required to undertake any compliance under the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- (h) Acquirer 1 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- (i) Acquirer 1 has not been categorized as a wilful defaulter or fugitive economic offender.

### 1.2 Mr. Sharad M S ("Acquirer 2")

- (a) Sharad M S, s/o Sh. M P Satish Babu, aged 26 years, is a resident of India currently residing at No. 83, 11th Main, 9th Cross, Saraswathipuram, Mysore - 570 009. Mr. Sharad M S, aged 26 years, holds a degree in Bachelor of Business Management (B.B.M), a Master of Business Administration (M.B.A) and a Master of Science in Business with a concentration in finance (M.S) from the U.S.A. He is the third generation of the family to have envisioned a career in the poultry industry and has been involved in the business full time since 4 years and indirectly involved for more than 8 years. He is actively involved in promoting the poultry business and expanding the same by organic and inorganic growth. The PAN of Acquirer 2 is DXMPS0923L.
- (b) The net worth of Acquirer 2 is Rs. 3.04 crore as on March 31, 2020 as certified vide certificate dated October 24, 2020 by B. N. Ashok Kumar (Membership no. 020712), Proprietor of B N Ashok Kumar and Co., Chartered Accountants (Firm Registration No. 0002505) (UDIN: 20020712AAAACO5644).
- (c) Acquirer 2 does not hold any DIN as on date. He has proposed his candidature for appointment on the Board of Directors of the Target Company, upon acquisition of control.
- (d) Acquirer 2 holds 600 Equity Shares of the Target Company as on date of the Detailed Public Statement. Acquirer 2 will further acquire 810,000 Equity Shares pursuant to SPA.
- (e) Acquirer 2 does not have any relationship / interest in the Target Company as on the date of the Detailed Public Statement and has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.
- (f) In the past, the Acquirer 2 was not required to undertake any compliance under the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- (g) Acquirer 2 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- (h) Acquirer 2 has not been categorized as a wilful defaulter or fugitive economic offender.

### 1.3 Mrs. Sukanya Satish ("Acquirer 3")

- (a) Sukanya Satish, d/o Sh. Singapur Sanniah Setty, aged 53 years, is a resident of India currently residing at No. 83, 11th Main, 9th Cross, Saraswathipuram, Mysore - 570 009. She holds a degree in Bachelor of Homeopathic Medicine and Surgery and is a homemaker. The PAN of Acquirer 3 is AFQPS8558G.
- (b) The net worth of Acquirer 3 is Rs. 9.90 crore as on March 31, 2020 as certified vide certificate dated October 24, 2020 by B. N. Ashok Kumar (Membership no. 020712), Proprietor of B N Ashok Kumar and Co., Chartered Accountants (Firm Registration No. 0002505) (UDIN: 20020712AAAACN6671).
- (c) DIN of Acquirer 3 is 02488406. Acquirer 3 is disqualified by Ministry of Corporate Affairs for appointment as director till October 31, 2021. Currently, Acquirer 3 does not hold directorship in any listed company.
- (d) Acquirer 3 does not hold any Equity Shares of the Target Company as on date of the Detailed Public Statement. Acquirer 3 will acquire 1,415,000 Equity Shares pursuant to SPA.
- (e) Acquirer 3 does not have any relationship / interest in the Target Company as on the date of the Detailed Public Statement and has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.
- (f) In the past, the Acquirer 3 was not required to undertake any compliance under the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- (g) Acquirer 3 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- (h) Acquirer 3 has not been categorized as a wilful defaulter or fugitive economic offender.

### 1.4 Mr. Syed Fahad ("Acquirer 4")

- (a) Syed Fahad, s/o Sh. S M Kamal Pasha, aged 33 years, is a resident of India currently residing at No. 3, 4th Main, Jayamahal Extension, Bangalore - 560 048. He holds a degree in Masters of Business Administration. He is having an experience of over 12 years in the family business titled as "Golden Group" in the fields of poultry farming, renewable energy and industrial chemicals. The PAN of Acquirer 4 is AALPF1457H.
- (b) The net worth of Acquirer 4 is Rs. 30.25 crore as on September 30, 2020 as certified vide certificate dated October 22, 2020 by CA Ankit Kumar Aggarwal (Membership no. 231009), Partner of M K P S & Associates, Chartered Accountants (Firm Registration No. 302014E) (UDIN: 20231099AAAABX1386).
- (c) DIN of Acquirer 4 is 01865406. Currently, Acquirer 4 does not hold directorship in any listed company. He has proposed his candidature for appointment on the Board of Directors of the Target Company, upon acquisition of control.

Currently Acquirer 4 holds directorship in the following companies:

Sr. No.	Name of the entity	Designation
1.	Haveri Mega Food Park Private Limited	Director
2.	Nelamangala Fresh Farms Private Limited	Director
3.	International Furfural Private Limited	Director
4.	Goldenfurfurals Private Limited	Director
5.	Dover Pharmaceuticals Private Limited	Managing Director
6.	Sugnaneshwara Hydrel Power Private Limited	Director
7.	Greenery Wind Corporation Private Limited	Director
8.	Greenery Bijapur Wind Enterprise Private Limited	Director
9.	Sunbright Solar Power Tech Private Limited	Director
10.	Greenery Renewable Source Private Limited	Director
11.	Greenery Yadgir Wind Enterprises Private Limited	Managing Director
12.	Greenery Solar Enterprise Private Limited	Managing Director
13.	Bangalore Flora Private Limited	Director

- (d) Acquirer 4 does not hold any Equity Shares of the Target Company as on date of the Detailed Public Statement. Acquirer 4 will acquire 2,024,000 Equity Shares pursuant to SPA.
- (e) Acquirer 4 does not have any relationship / interest in the Target Company as on the date of the Detailed Public Statement and has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.
- (f) In the past, the Acquirer 4 was not required to undertake any compliance under the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- (g) Acquirer 4 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- (h) Acquirer 4 has not been categorized as a wilful defaulter or fugitive economic offender.

## 1.5 Mr. Bhavihal Gurusiddappa Channappa ("Acquirer 5")

- (a) Bhavihal Gurusiddappa Channappa, s/o Sh. Gurusiddappa, aged 68 years, is a resident of India currently residing at 135/A-35 9th Main Road, R.M.V. Extension, Sadashivanagar, Bangalore - 560 080. He holds a degree in B.A from Mysore University, Karnataka. He is actively involved in the business of Real Estate & Land Development in and around Bangalore under the Brand "Aditya Builders and Developers" wherein he has executed plotted developments including MW solar plant to harness the solar energy at Hindupur, Andhra Pradesh under the name "Nidhi Solar". He is also Class I-A contractor with over 40 years of experience and executed various projects working with Public works department (PWD), Bangalore Development Authority (BDA), Irrigation and BBMP delivering successfully Viz., development of residential layouts, Bridges, Roads and waste water management system etc. He is also involved in agricultural activities and has contributed to the developments of his village through construction of roads, temple, development of schools etc. The PAN of Acquirer 5 is ACLPC1790N.
- (b) The net worth of Acquirer 5 is Rs. 52.63 crore as on September 30, 2020 as certified vide certificate dated October 22, 2020 by Ms. Netravathi C (Membership no. 215973), Proprietor, C Netravathi & Associates, Chartered Accountants (UDIN: 20215973AAA6068).
- (c) DIN of Acquirer 5 is 07278848. Currently, Acquirer 5 does not hold directorship in any company, listed or unlisted. He has proposed his candidature for appointment on the Board of Directors of the Target Company, upon acquisition of control.
- (d) Acquirer 5 does not hold any Equity Shares of the Target Company as on date of the Detailed Public Statement. Acquirer 5 will acquire 1,012,000 Equity Shares pursuant to SPA.
- (e) Acquirer 5 does not have any relationship / interest in the Target Company as on the date of the Detailed Public Statement and has not undertaken any transaction with the Target Company during the financial year ended March 31, 2020.
- (f) In the past, the Acquirer 5 was not required to undertake any compliance under the applicable provisions of Chapter V of SEBI SAST Regulations in respect to acquisition / disposal of Equity Shares in the Target Company.
- (g) Acquirer 5 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- (h) Acquirer 5 has not been categorized as a wilful defaulter or fugitive economic offender.
- 1.6 The Acquirers shall disclose during the Offer Period any further acquisitions made by the Acquirers of any Equity Shares of the Target Company in the prescribed form, to each of the Stock Exchanges and to the Target Company at its registered office within 24 (twenty four) hours of such acquisition, in accordance with Regulation 18(6) of the SEBI SAST Regulations.
- 1.7 As on the date of the Detailed Public Statement, none of the Acquirers are director on the Board of the Target Company.
2. **Details of the Target Company**
- 2.1 The Target Company was incorporated on January 11, 1993 under the provisions of the Companies Act, 1956 by the name "Ovobel Foods Limited" and was granted a certificate of incorporation. The CIN of the Target Company is L85110KA1993PLC013875.
- 2.2 The registered office of the Target Company is situated at Ground Floor, No.46 Old No.32/1, 3rd Cross, Aga Abbas Ali Road, Ulsoor, Bangalore - 560 042.
- 2.3 Target Company manufactures and exports whole egg, yolk, albumen in powder and frozen form. Its products have replaced fresh eggs in Industrial Food Processing Applications in bakery, pasta, doughnut premixes, mayonnaise, baby food, fish & meat and Food Service. The manufacturing facility of the Target Company is located at Plot # 30, K.I.A.D.B. Industrial Area, Malur - 563 163.
- 2.4 The authorized share capital of the Target Company is Rs. 110,000,000 (Rupees Eleven Crore) comprising of 11,000,000 (One Crore Ten Lakhs) Equity Shares of Rs. 10 each. The paid-up Equity Share Capital of the Target Company is Rs. 105,008,000 (Rupees Ten Crore Fifty Lakhs Eight Thousand) divided into 10,500,800 (Rupees One Crore Five Lakhs Eight Hundred) Equity Shares of Rs. 10 each. There are no partly paid up shares in the Target Company.
- 2.5 The Equity Shares of the Target Company are listed on BSE having a scrip code as 530741 with symbol OVOBELE. The shares were listed on BSE w.e.f. July 10, 1995. The Equity Shares of the Target Company are infrequently traded within the meaning of explanation provided in Regulation 2(i) of the SEBI SAST Regulations. The ISIN of the Target Company is INE812S01012.
- 2.6 The Equity Share Capital structure of the Target Company is as follows:

Particulars	No. of equity shares	%age of paid up capita	No. of voting rights	%age of paid up capital
Fully paid up equity shares of Rs. 10 each	10,500,800	100.00	10,500,800	100.00
<b>Total equity shares</b>	<b>10,500,800</b>	<b>100.00</b>		
<b>Total voting capital</b>			<b>10,500,800</b>	<b>100.00</b>

- 2.7 The Target Company has already filed a Scheme of Arrangement between the Target Company and its shareholders and creditors for reducing the Equity share capital of the Target Company by adjusting the amount outstanding against the advance paid as part of One Time Settlement ("OTS") between the Target Company and Karnataka State Industrial and Infrastructure Development Corporation Limited ("KSIIIDC") and Ministry of Food Processing Industry ("MFPI"). An aggregate of 1,000,000 equity shares held in the name of KSIIIDC shall be extinguished / cancelled through the Scheme of Arrangement. In this regard, the Target Company has received NOC from BSE and also shareholders approval through the NCLT convened general meeting. In the last hearing, the Hon'ble NCLT, Bengaluru Bench has given directions for issuing notices to the Regional Director, Hyderabad, the Registrar of Companies, Karnataka, Creditors as per list given in Company Petition, Securities and Exchange Board of India and BSE Limited and is posted for final hearing on November 27, 2020.

Post extinguishment of the 1,000,000 Equity Shares, the emerging capital structure of the Company will be as under:

Particulars	No. of equity shares	%age of paid up capita	No. of voting rights	%age of paid up capital
Fully paid up equity shares of Rs. 10 each	9,500,800	100.00	9,500,800	100.00
<b>Total equity shares</b>	<b>9,500,800</b>	<b>100.00</b>		
<b>Total voting capital</b>			<b>9,500,800</b>	<b>100.00</b>

- 2.8 As of the date of the Detailed Public Statement, no outstanding convertible instruments (such as depository receipts, fully convertible debentures or warrants) issued by the Target Company which are convertible into Equity Shares of the Target Company.
- 2.9 The entire issued, subscribed and paid up share capital of the Target Company is listed on Stock Exchange. There are no outstanding shares of the Target Company that have been issued but not listed on the Stock Exchange. The trading of the Equity Shares of the Target Company is currently not suspended on Stock Exchange. The Equity Shares of the Target Company have not been delisted from any stock exchange in India.
- 2.10 There is no differential pricing for the Offer.
- 2.11 Details of the Board of Directors of the Target Company

Sr. No.	Name of Director	DIN	Designation	Date of appointment
1.	Mr. Shanti Swarup Aggarwal	0032011	Managing Director	January 11, 1993
2.	Mr. Narendra Dattatri Haldawar	01633735	Director	December 31, 2014
3.	Ms. Anisha Agarwal	01961776	Director	July 08, 2013
4.	Mr. Philip Van Bosstraeten	02600487	Director	November 07, 2014
5.	Mr. Swapan Kumar Majumder	03178122	Director	August 04, 2010
6.	Mr. Satish Narayana Swamy	05264105	Director	September 19, 2013

Note: None of the directors mentioned in the table above are representatives of the Acquirers. Neither of them is related to the Acquirers in any manner whatsoever.

- 2.12 As on the date of the Detailed Public Statement, the Target Company does not have any Subsidiary or Holding Company.
- 2.13 The Target Company has no Equity Shares that are locked-in as of the date of the Detailed Public Statement.
- 2.14 The Target Company including its directors has not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act. The Target Company is not an Insolvent applicant under Insolvency and Bankruptcy Code, 2016.
- 2.15 The key financial information of the Target Company based on the unaudited limited reviewed financial results for the period ended June 30, 2020 and the audited financial statements for the financial years ended March 31, 2020, 2019 and 2018 and are as follows: (Rs.in Lakhs)

Particulars	Quarter ended June 30, 2020*	Financial year ended March 31		
		2020	2019	2018
<b>Profit &amp; Loss account</b>				
Income from Operations	2,810.04	10,870.26	9,729.81	8,360.18
Other Income	157.93	802.42	1,481.70	1,637.25
Total Income	2,967.97	11,672.68	11,211.51	9,997.42
Total Expenditure (excluding Depreciation, Interest and Tax)	2,564.78	11,092.16	10,185.24	9,250.89
Profit before Depreciation, Interest and Tax	403.19	580.52	1,026.27	746.53
Depreciation	19.76	104.07	98.25	126.5
Interest	24.11	91.7	87.39	92.96
Profit before tax	359.32	384.75	840.63	527.07
Less: Exceptional item written off	0	0	0	0
Profit after exceptional items	359.32	384.75	840.63	527.07
Provision for tax	110.42	112.88	275.39	74.18
<b>Profit after tax</b>	<b>248.9</b>	<b>271.87</b>	<b>565.24</b>	<b>452.89</b>
<b>Balance Sheet</b>				
<b>Sources of Funds</b>				
Paid up Share Capital	NA	1,050.08	1,050.08	1,050.08
Other equity (excluding revaluation reserve)	NA	1,217.09	978.72	411.35
Networth	NA	2,267.17	2,028.80	1,461.43
Non Current Liabilities	NA	95.05	46.21	92.96
Current Liabilities	NA	1,792.11	1,644.01	2,662.5
<b>Total</b>	<b>NA</b>	<b>4,154.33</b>	<b>3,719.02</b>	<b>4,216.91</b>
<b>Uses of funds</b>				
Non Current Assets	NA	570.15	486.92	670.91
Current Assets	NA	3,584.18	3,232.10	3,546.00
Total	NA	4,154.33	3,719.02	4,216.91
Other Financial data				
Dividend (%)	-	-	-	-
Earnings Per Share*	2.37	2.59	5.38	4.31
Net Asset Value	NA	21.58	19.32	13.92
Return on Net Worth	NA	11.99%	27.86%	30.99%

\* Unaudited and not annualized. Based on the quarterly results disclosed on www.bseindia.com.

- Notes:**
1. Source: Financial summary of the Target Company for the financial year ended March 31, 2020, March 31, 2019 and March 31, 2018 have been extracted from the Audit Report of the Target Company.
2. Book value per share has been calculated as (Net worth + Amount called up but not paid) / Number of shares outstanding
3. Return on Net worth has been calculated as Profit after tax / Net worth
- 2.16 Details of the Compliance Officer of the Target Company:  
Name: Ms. Ritu Singh, Address: Ground Floor, No. 46 Old No. 32/1, 3rd Cross, Aga Abbas Ali Road, Ulsoor, Bangalore - 560 042, Tel.: +91 80 2559 4145-46, E-mail: cs@ovobelfoods.com
- 2.17 The information relating to the Target Company has been taken from BSE Limited ([www.bseindia.com](http://www.bseindia.com)), Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)) and Annual Report of the Target Company.
3. **Details of the Offer**
- 3.1 This Offer is a mandatory open offer being made by the Acquirers to the Shareholders of Target Company in compliance with Regulation 3(1) and Regulation 4 of the SEBI SAST Regulations read with Regulation 13(2)(a) of the SEBI SAST Regulations for substantial acquisition of Shares and Voting Rights and with an intention to acquire control of the Target Company.
- 3.2 This Offer is made by the Acquirers to the Eligible Shareholders, to acquire upto 2,730,208 Equity Shares of face value Rs. 10 each representing 26.00% of the total paid-up and voting capital of the Target Company at a price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) (rounded off) per Equity Share of Rs. 10 each ("Offer Price") payable in cash, in accordance with Regulation 9(1)(a) of the SEBI SAST Regulations and subject to the terms and conditions set out in the Public Announcement, the Detailed Public Statement, Draft Letter of Offer and Letter of Offer. Further, the Acquirers may voluntarily propose to increase the minimum Offer Size by increasing the number of Equity Shares proposed to be acquired or the Offer Price at any time up to one (1) Working Day prior to commencement of the Tendering Period i.e. December 15, 2020 in terms of the Regulation 18(4) and 18(5) of the SEBI SAST Regulations. If the Acquirers propose to increase the Offer Size or Offer Price, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement was published.

- 3.3 As on date of the Detailed Public Statement there are no partly paid up shares in the Target Company.
- 3.4 As on the date of the Detailed Public Statement, there are no outstanding convertible securities, depository receipts, warrants or instruments issued by the Target Company convertible into Equity Shares
- 3.5 The Equity Shares tendered under this Offer shall be free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Eligible Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
- 3.6 There is no differential pricing for the Offer.
- 3.7 This is not a competing offer in terms of Regulation 20 of the SEBI SAST Regulations.
- 3.8 There has been no competing offer as on the date of the Detailed Public Statement. The last date for making such competing offer is November 23, 2020, as prescribed under Regulation 20 of the SEBI SAST Regulations.
- 3.9 This is not a conditional offer and is not subject to any minimum level of acceptance from the shareholders. In terms of Regulation 19(1) of the SEBI SAST Regulations, the Acquirers will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 2,730,208 Equity Shares of face value Rs. 10/- each representing 26.00% of the total paid-up and voting capital of the Target Company.
- 3.10 The Acquirers have not acquired any Equity Shares of the Target Company from the date of the Public Announcement, i.e. October 22, 2020 up to the date of the Detailed Public Statement.
- 3.11 Upon the completion of the Offer, assuming full acceptances in the Offer and Equity Shares acquired pursuant to the SPA, the Acquirers will hold 9,057,108 (Ninety Lakh Fifty Seven Thousand One Hundred Eight) Equity Shares constituting 86.25% of the Equity Share Capital and Voting Capital of the Target Company and hence there will be a change in management control pursuant to this Open Offer. Accordingly, the Acquirers will be re-classified as Promoters of the Target Company post completion of the Open Offer in compliance with the conditions specified under Regulation 31A of the SEBI (LODR) Regulations, 2015.
- 3.12 The Acquirers have given an undertaking that if pursuant to this Open Offer, the public shareholding in the Target Company falls below 25% of the Voting Rights / paid up Equity Share Capital, it will facilitate the Target Company to raise the level of public shareholding to the level as specified for continuous listing under the Securities Contracts (Regulation) Rules, 1957 and in accordance with such directions as may be issued by the Stock Exchange on which the Equity Shares of the Target Company are listed within a period of twelve (12) months from the date of completion of Open Offer. In terms of Regulation 7(5) of the SEBI SAST Regulations, the Acquirers have further undertaken that if the shareholding of the Promoter and Promoter Group (including Acquirers) is more than 75% of the Voting Rights / paid up Equity Share Capital of the Target Company pursuant to the present Offer, it will not make any voluntary delisting offer under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, unless a period of twelve months has elapsed from the date of the completion of the Offer Period.
- 3.13 The Manager to the Offer does not hold any Equity Shares in the Target Company as at the date of Public Announcement and / or Detailed Public Statement and / or Letter of Offer. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

#### 4. Background of the Offer

- 4.1 This Offer is a mandatory open offer being made by the Acquirers to the Shareholders of Target Company in compliance with Regulation 3(1) and Regulation 4 of the SEBI SAST Regulations pursuant to the execution of the Share Purchase Agreement to acquire in excess of 25% (twenty-five per cent) of the equity share capital of the Target Company and control over the Target Company.
- 4.2 On October 22, 2020, the Acquirers have entered into (i) SPA1 to acquire 3,990,109 Equity Shares representing 38.00% of the paid-up equity capital and voting rights of the Target Company at a price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) (rounded off) per Equity Share from the existing promoters of the Target Company, namely Mr. Shanti Swarup Aggarwal, Ms. Vinita Aggarwal, Ms. Sadhana Aggarwal, Ms. Anisha Aggarwal, Ms. Natasha Aggarwal, Induss Food Products and Equipments Limited and Mr. Utsav Parekh and 786,700 Equity Shares representing 7.49% of the paid-up equity capital and voting rights of the Target Company at a price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) (rounded off) per Equity Share from public shareholders namely Mr. Samarth Parekh, Ms. Nilangi Parekh, Progressive Star Finance Private Limited and Mr. Saharsh Parekh; and (ii) SPA2 to acquire 1,484,691 equity share representing 14.14% of the paid-up equity capital and voting rights of the Target Company at a price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) (rounded off) per Equity Share from one of the existing promoters of the Target Company, namely Ovobel S.A., Belgium.
- 4.3 The Salient features of Share Purchase Agreements are as under:

#### A. Share Purchase Agreement 1 / SPA1

- The shares to be acquired under SPA1 are as under:

Name of Acquirer	No. of shares acquired	%age of shares	Name of Seller	No. of shares sold	%age of shares
Mr. M P Satish Babu	9,32,809	8.88%	Mr. Shanti Swarup Aggarwal	772,409	7.36
Mr. Sharad M S	8,10,000	7.71%	Ms. Vinita Aggarwal	628,400	5.98
Mrs. Sukanya Satish	14,15,000	13.48%	Ms. Sadhana Aggarwal	325,100	3.10
Mr. Syed Fahad	6,07,000	5.78%	Ms. Anisha Aggarwal	186,800	1.78
Mr. Bhavihal Gurusiddappa Channappa	10,12,000	9.64%	Ms. Natasha Aggarwal	183,800	1.75
			Induss Food Products and Equipments Limited	850,000	8.09
			Mr. Utsav Parekh	1,043,600	9.94
			Mr. Samarth Parekh	250,000	2.38
			Ms. Nilgani Parekh	245,700	2.34
			Progressive Star Finance Private Limited	181,600	1.73
			Mr. Saharsh Parekh	109,400	1.04
<b>Total</b>	<b>4,776,809</b>	<b>45.49</b>		<b>4,776,809</b>	<b>45.49</b>

#### ◆ Acquirer Conditions Precedent

- Obtaining a valuation report from SEBI registered Merchant Banker giving the fair valuation of each of the securities issued by the Company.
- Compliance with requirements of Applicable Law for consummation of the transaction contemplated hereby.

#### ◆ Promoters Conditions Precedent

- The Promoters shall execute letters terminating their respective employment agreements executed with the Company with effect from the Closing Date and shall finalize drafts of employment agreements in a form acceptable to the Acquirers.
- The Company shall provide a certificate from the statutory auditor certifying the working capital as being atleast equal to Rs. 17.99 Crores as at the Closing date.
- No due certificate from KSSIDC and MFPI shall be made available.
- The Company shall complete the process of dematerialization of its shares and furnish statement from its depository participant giving the list of shareholders and the shares held by each shareholder. Further, the Promoters shall furnish accounts statements issued by their depository participants stating the credit of the shares held by them in the Company.
- The Promoters shall either secure registration of the factory land in the name of the Company or obtain a legal opinion to the satisfaction of the acquirers confirming the Company's title over the said land.

#### ◆ Condition Subsequent

- The Company shall apply to the Hon'ble Bench of NCLT for the reduction of capital from Rs. 10,50,08,000/- divided into 1,05,00,800 Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 9,50,08,000/- divided into 95,00,800 Equity Shares of Rs. 10/- (Rupees Ten only) each.
- The Acquirers shall enter into a share purchase agreement with Ovobel SA, one of the shareholders of the Company, to effect acquisition of equity shares of such shareholder by the Acquirers. The Acquirers have agreed to provide a Bank Guarantee for a period of 3 months, automatically renewed for a period of 2 years from Execution date or Closing of the share purchase agreement with Ovobel SA, whichever is earlier. The cost of such Bank Guarantee shall be paid by the Promoters.
- All existing banking authorizations in the name of the existing directors, Promoters and/or their representatives be revoked and new banking authorizations in the name of Sharad MS representatives of the Acquirer be granted. Until this Clause is fulfilled, it is hereby clarified that the existing directors, Promoters and/or their representatives shall act as authorised signatories only on behalf of the Acquirer and not in their own stead.
- The SPA1 sets forth the terms and conditions agreed between the respective Sellers and the Acquirers and their mutual rights and obligations.
- The aggregate consideration for the Sale Shares under SPA1 is Rs. 236,004,773 (Rupees Twenty Three Crore Sixty Lakhs Four Thousand Seven Hundred Seventy Three only) (i.e. at the rate of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only), (rounded off), per Equity Share. The Acquirers shall pay the Purchase Consideration relating to the Sale Shares acquired by them through SPA1.
- Apart from the total consideration of Rs. 236,004,773 (Rupees Twenty Three Crore Sixty Lakhs Four Thousand Seven Hundred Seventy Three only) for the Sale Shares, no separate fees, payment, premium such as non-competing fee etc. shall be paid by Acquirers to the Sellers for acquisition of the Sale Shares and management control of the Target Company.
- The Sale Shares shall be transferred to the respective Acquirers on completion of the Open Offer and simultaneously SPA1 consideration shall be paid to respective Sellers.

#### B. Share Purchase Agreement 2 / SPA2

- The shares to be acquired under SPA2 are as under:

Name of Acquirer	No. of shares acquired	%age of shares	Name of Seller	No. of shares sold	%age of shares
Mr. M P Satish Babu	67,691	0.64%	Ovobel S.A. Belgium	1,484,691	14.14
Mr. Syed Fahad	14,17,000	13.49%			
<b>Total</b>	<b>1,484,691</b>	<b>14.14</b>		<b>1,484,691</b>	<b>14.14</b>

- The SPA2 sets forth the terms and conditions agreed between the respective Sellers and the Acquirers and their mutual rights and obligations.
- The aggregate consideration for the Sale Shares under SPA2 is Rs. 73,353,187 (Rupees Seven Crore Thirty Three Lakhs Fifty Three Thousand One Hundred and Eighty Seven only) (i.e. at the rate of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only), (rounded off), per Equity Share. The Acquirers shall pay the Purchase Consideration relating to the Sale Shares acquired by them through SPA2.
- Apart from the total consideration of Rs. 73,353,187 (Rupees Seven Crore Thirty Three Lakhs Fifty Three Thousand One Hundred and Eighty Seven only) for the Sale Shares, no separate fees, payment, premium such as non-competing fee etc. shall be paid by Acquirers to the Seller for acquisition of the Sale Shares and management control of the Target Company.
- The Sale Shares shall be transferred to the respective Acquirers on completion of the Open Offer and simultaneously SPA2 consideration shall be paid to respective Sellers.
- Except for Ovobel S.A. Belgium, being a foreign entity holding shares in physical form, all the SPA shares are held by the Sellers in demat form and are free from any lock-in and encumbrances. Further, Ovobel S.A. Belgium will get the shares dematerialized before transfer of the same to the Acquirers in terms of the SPA2.
- Since the Acquirers have entered into an agreement to acquire shares and voting rights in excess of 25% (twenty five per cent) of the equity share capital of the Target Company and control over the Target Company, this Offer is being made under Regulation 3(1) and Regulation 4 of the SEBI SAST Regulations. Pursuant to the Offer and upon consummation of the transactions contemplated under the Share Purchase Agreement, the Acquirers will acquire control over the Target Company and the Acquirers shall become the promoters of the Target Company in accordance with the provisions of the SEBI LODR Regulations.
- The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.
- The Sellers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulation made under the SEBI Act, 1992.
- The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or under any other regulations made under the SEBI Act, 1992.
- None of the Acquirers have been classified as wilful defaulters by RBI and hence, are in compliance of Regulation 6A of the SEBI SAST Regulations for the purpose of this Offer. Further, none of the Acquirers have been categorized as a fugitive economic offender and hence, are in compliance of Regulation 6B of the SEBI SAST Regulations for the purpose of this Offer.
- In accordance with Regulation 26(7) of the SEBI SAST Regulations, the committee of independent directors of the Target Company is required to provide its written reasoned recommendations on the Offer to the Shareholders and such recommendations are required to be published in the specified form at least 2 (two) Working Days before the commencement of the Tendering Period in the same newspapers where the Detailed Public Statement was published.
- In terms of Regulation 7(6) of the SEBI SAST Regulations, all public shareholders of the Target Company, except the Acquirers and the Sellers, can participate in the Offer.
- The Acquirers intend to appoint the following persons as directors on the Board of Target Company in compliance with the provisions of Regulation 24(1) of the SEBI SAST Regulations:

Sr. No.	Name	Address	Qualification & Experience
1	Mr. Sharad M S	No. 83, 11th Main, 9th Cross, Saraswathipuram, Mysore - 570 009	Refer to Clause 1.2 (a) of the Detailed Public Statement
2	Mr. Sayed Fahad	03, 4th Main, Jayamahal Extension, Bangalore North, Bangalore - 560 046	Refer to Clause 1.4 (a) of the Detailed Public Statement
3	Mr. Bhavihal Gurusiddappa Channappa	135/A-35, 9th Main Road, R.M.V. Extn., Sadashivanagar, Bangalore - 560 080	Refer to Clause 1.5 (a) of the Detailed Public Statement

## 5. Shareholding and Acquisition details

- 5.1 The present and proposed shareholding of the Acquirers and the details of their acquisition are as follows:

Names	Shareholders and voting rights prior to agreement / acquisition and the Offer		Shares acquired / to be acquired under Share Purchase Agreement		Shares proposed to be acquired under the Open Offer		Post Offer Shareholding <sup>2</sup>	
	No. of Shares	%age*	No. of Shares	%age*	No. of Shares <sup>3</sup>	%age*	No. of Shares <sup>2</sup>	%age*
<b>Acquirers</b>								
Mr. M P Satish Babu	64,800	0.62	10,00,500	9.53				
Mr. Sharad M S	600	0.01	810,000	7.71				
Mrs. Sukanya Satish	-	-	14,15,000	13.48				
Mr. Syed Fahad	-	-	20,24,000	19.27	2,730,208	26.00	9,057,108	86.25
Mr. Bhavihal Gurusiddappa Channappa	-	-	10,12,000	9.64				
<b>Total</b>	<b>65,400</b>	<b>0.62</b>	<b>6,261,500</b>	<b>59.63</b>	<b>2,730,208</b>	<b>26.00</b>	<b>9,057,108</b>	<b>86.25</b>

<sup>1</sup> Under the SPA, the Acquirers have agreed to acquire up to 59.63% of the Voting Share Capital i.e. 6,261,500 Equity Shares from the Sellers. For the proposed shareholding of the Acquirers post acquisition of Equity Shares under (a) Share Purchase Agreement; and (b) validly tendered by the Public Shareholders and accepted by the Acquirers in the Open Offer.

<sup>2</sup> Includes 1,000,000 Equity Shares held in the name of Karnataka State Industrial and Infrastructure Development Corporation Limited, which are proposed to be cancelled pursuant to the ongoing Scheme of Arrangement.

<sup>3</sup> Computed assuming that the entire 26.00% of the total paid-up and Voting Share Capital is tendered and accepted in the Offer.

\* The Target Company has already filed a Scheme of Arrangement between the Target Company and its shareholders and creditors for reducing the equity share capital of the Target Company by adjusting the amount outstanding against the advance paid as part of One Time Settlement ("OTS") between the Target Company and Karnataka State Industrial and Infrastructure Development Corporation Limited ("KSIDC") and Ministry of Food Processing Industry ("MFPI"). An aggregate of 1,000,000 equity shares held in the name of KSIDC shall be extinguished / cancelled through the Scheme of Arrangement. In this regard, the Target Company has received NOC from BSE and also shareholders approval through the NCLT convened general meeting.

Hence, post approval for the reduction, the shares to be acquired by the Acquirers through the SPA will represent 65.90% of the paid-up and voting capital post cancellation of 1,000,000 Equity Shares. Further, 2,730,208 Equity Shares for which this Open Offer is given by the Acquirers represent 26.00% of the present paid-up and voting capital of the Target Company and 28.74% of the reduced capital post cancellation of 1,000,000 Equity Shares.

## 6. Offer Price

- 6.1 The Equity Shares of the Target Company are presently listed and traded on BSE having a scrip code as 530741. The Equity Shares of the Target Company are infrequently traded on BSE during the 12 calendar months preceding the month in which Public Announcement was made asset out under Regulation 21(j) of the SEBI SAST Regulations.

- 6.2 The annualized trading turnover of the Equity Shares of the Target Company during 12 calendar months preceding the month of Public Announcement (from October 01, 2019 to September 30, 2020) on BSE on which the Equity Shares of the Target Company are traded as detailed below:

Name of Stock Exchange	Total Number of shares traded	Total No. of Equity Shares listed during the preceding 12 calendar months prior to the month of Public Announcement	Annualized trading turnover (as % of total number of listed shares)
BSE	159,700	10,500,800	1.52

(source: [www.bseindia.com](http://www.bseindia.com))

- 6.1 The Offer Price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) is justified in terms of Regulation 8(2) of the SEBI SAST Regulations on the basis of the following:

Sr. No.	Particulars	Amount (in Rs.)
(a)	The highest negotiated price per share of the Target Company for any acquisition under the agreement attracting the obligation to make the Public Announcement of the Offer i.e. the price per Equity Share under the agreement :	49.41
(b)	The volume weighted average price paid or payable for acquisitions, whether by the Acquirers or by any person acting in concert during the 52 weeks immediately preceding the date of the Public Announcement:	20.49
(c)	The highest price paid or payable for any acquisition whether by the Acquirers or by any person acting in concert, during the 26 weeks immediately preceding the date of the Public Announcement :	Not Applicable
(d)	The volume-weighted average market price of Shares for a period of 60 trading days immediately preceding the date of the shares are the Public Announcement as traded on BSE:	Not Applicable
(e)	The price determined by the Acquirers and the Manager taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares of such companies :	30.91

- 6.4 In the event of further acquisition of Equity Shares of the Target Company by the Acquirers during the Offer Period, by purchase of Equity Shares of the Target Company 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. However, Acquirers shall not be acquiring any Equity Shares of the Target Company after third Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.

- 6.5 Calculation of the volume weighted average price paid for acquisition, by the Acquirers during the fifty two (52) weeks immediately preceding the date of the Public Announcement as per Regulation 8(2)(b) of the SEBI SAST Regulations is as follows:

Date	Stock Exchange	Name of Acquirers	Number of Equity Shares purchased	Weighted average price (Rs.)
November 21, 2019	BSE	M P Satish Babu	3,100	5.20
December 02, 2109	BSE	M P Satish Babu	400	0.72
December 04, 2109	BSE	M P Satish Babu	1,000	1.93
December 11, 2019	BSE	M P Satish Babu	600	1.08
December 13, 2019	BSE	M P Satish Babu	700	1.20
December 16, 2019	BSE	M P Satish Babu	1,000	1.67
December 17, 2019	BSE	M P Satish Babu	1,000	1.74
December 18, 2019	BSE	M P Satish Babu	1,000	1.69
December 19, 2019	BSE	M P Satish Babu	2,000	3.47
December 20, 2019	BSE	M P Satish Babu	1,000	1.78
<b>Total</b>			<b>11,800</b>	<b>20.49</b>

- 6.6 In view of the parameters considered and presented in the table above and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One only) per Equity Share and the same has been certified by Mr. Girish Shivaram Kaushik (IBBI Registered Valuer (SFA) Membership No. IBBI/RV/06/2018/10398), vide his certificate dated October 28, 2020 (UDIN: 20212438AAAAA8868). Accordingly, the Offer Price is justified in terms of Regulation 8(2) of the SEBI SAST Regulations.

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

- 6.8 As on the date of the Detailed Public Statement, there is no revision in the Offer Price or the Offer Size. The Offer Price and / or Offer Size is subject to upward revision, if any, pursuant to the SEBI SAST Regulations or at the discretion of the Acquirers at any time prior to the commencement of the last One (1) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) and 18(5) of the SEBI SAST Regulations. In the event of such revision, the Acquirers shall make corresponding increases to the escrow amount and shall: (i) make a public announcement in the same newspapers in which the Detailed Public Statement is published; and (ii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office, of such revision.

- 6.9 If the Acquirers acquire Equity Shares during the period of twenty six weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirers shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Open Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI SAST Regulations, or pursuant to the SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of shares of the Target Company in any form.

## 7. Details of Financial Arrangement

- 7.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 2,730,208 Equity Shares from the Eligible Shareholders of the Target Company at an Offer Price of Rs. 49.41 (Rupees Forty Nine and Paise Forty One Only) per Equity Share is Rs. 134,899,577.28 (Rupees Thirteen Crore Forty Eight Lakhs Ninety Nine Thousand Five Hundred Seventy Seven and Paise Twenty Eight Only), (the "Maximum Consideration").

- 7.2 The Acquirers, the Manager to the Offer and Kotak Mahindra Bank Limited, a scheduled commercial bank incorporated under the laws of India, have entered into an Escrow Agreement on October 22, 2020, for the purpose of the Offer (the "Escrow Agreement"). Pursuant to the Escrow Agreement, the Acquirers have deposited Rs. 33,725,000 (Rupees Three Crore Thirty Seven Lakhs Twenty Five Thousand Only) in cash in the Escrow Account which is equivalent to 25% of the value of Maximum Consideration payable under the Offer (assuming full acceptances). The Manager to the Offer is duly authorised by the Acquirers to realise the value of the Escrow Account and operate the Escrow Account in terms of the SEBI SAST Regulations.

- 7.3 In accordance with Regulation 17 of the SEBI SAST Regulations, the cash deposited in the Escrow Account, aggregating to Rs. 33,725,000 (Rupees Three Crore Thirty Seven Lakhs Twenty Five Thousand Only), is equivalent to 25% of the value of Maximum Consideration payable under the Offer (assuming full acceptances) (the "Escrow Amount").

- 7.4 The Acquirers have adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer, in terms of Regulation 25(1) of the SEBI SAST Regulations. Mr. Girish Shivaram Kaushik (Membership no. 212438), Partner, JAA & Associates, Chartered Accountants (Firm Registration No. 013699s), has vide their certificate dated October 28, 2020 (UDIN: 20212438AAAK25527) certified that the Acquirers have sufficient resources to meet the fund requirements for the acquisition of the Equity Shares of the Target Company under the Open Offer. The acquisition will be financed through net worth of the Acquirers.

- 7.5 Based on the above and in the light of the Escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill their obligations through verifiable means in relation to the Offer in accordance with the SEBI SAST Regulations.

- 7.6 In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Account shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirers prior to effecting such revision, in terms of Regulation 17(2) of the SEBI SAST Regulations.

## 8. STATUTORY AND OTHER APPROVALS

- 8.1 As of the date of the Detailed Public Statement, to the best of the knowledge of the Acquirers, there are no statutory or other approvals required to complete the Offer. If, however, any statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).

- 8.2 In case of delay in receipt of any Statutory Approval(s), pursuant to Regulation 18(11) of the SEBI SAST Regulations, SEBI may, if satisfied, that delay in receipt of requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirers to diligently pursue such approvals, may grant an extension of time for the purpose of the completion of this Offer, subject to Acquirers agreeing to pay interest for the delayed period, provided where the statutory approval(s) extend to some but not all Shareholders, the Acquirers have the option to make payment to such Shareholders in respect of whom no statutory approval(s) are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirers in obtaining any statutory approval(s) in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with pursuant to Regulation 17(10)(e) of the SEBI SAST Regulations.

- 8.3 The acquisition of the Equity Shares tendered by NRI and OCB are subject to approval / exemption, if applicable, from RBI. NRI and OCB holders of the Equity Shares in the Target Company, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including from RBI) and submit such approvals, along with the other requisite documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs, QFIs and FIs) had required any approvals (including RBI) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding such Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.

- 8.4 In terms of Regulation 23(1) of the SEBI SAST Regulations, in the event that the approvals which become applicable prior to completion of the Offer are not received, the Acquirers shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirers through the Manager shall, within 2 Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI SAST Regulations.

- 8.5 Subject to the receipt of the statutory and other approvals, if any, the Acquirers shall complete all procedures relating to the Open Offer, including payment of consideration within 10 Working Days from the closure of the tendering period to those shareholders whose share certificates or other documents are found valid and in order and are approved for acquisition by the Acquirers.

- 8.6 By agreeing to participate in this Open Offer (i) the holders of the Equity Shares who are persons resident in India and the (ii) the holders of the Equity Shares who are persons resident outside India (including NRIs, OCBs and FPIs) give the Acquirers the authority to make, sign, execute, deliver, acknowledge and perform all actions to file applications and regulatory filings, if required, including FC-TRs form, if necessary and undertake to provide assistance to the Acquirers for such regulatory filings, if required by the Acquirers.



8.7 Where any statutory or other approval extends to some but not all of the Eligible Shareholders, the Acquirers shall have the option to make payment to such Eligible Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.

#### 9. TENTATIVE SCHEDULE OF ACTIVITIES

Nature of Activity	Date	Day
Date of the Public Announcement	October 22, 2020	Thursday
Date of publication of the Detailed Public Statement	October 29, 2020	Thursday
Date for filing of Draft Letter of Offer with SEBI	November 06, 2020	Friday
Last date of a competing offer	November 23, 2020	Monday
Latest date by which SEBI's observations will be received	December 01, 2020	Tuesday
Identified Date*	December 03, 2020	Wednesday
Last date by which the Letter of Offer will be dispatched to the Other Public Shareholders and Existing Promoter of the Target Company as on the identified date	December 10, 2020	Thursday
Last Date for revising the Offer Price / Offer Size	December 15, 2020	Tuesday
Last date by which the recommendations of the Committee of Independent Directors of the Target Company will be given and published	December 15, 2020	Tuesday
Date of publication of Public Announcement for Opening the Offer	December 16, 2020	Wednesday
Date of Commencement of the Tendering Period (Offer Opening Date)	December 17, 2020	Thursday
Date of Closing of the Tendering Period (Offer Closing Date)	December 31, 2020	Thursday
Last date for communicating Rejection / Acceptance and Payment of consideration for accepted equity shares / credit of unaccepted shares	January 14, 2021	Thursday
Last date for issue of post-offer advertisement	January 21, 2021	Thursday

\* Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent. It is clarified that all the Eligible Shareholders of the Target Company are eligible to participate in this Offer any time during the tendering period of the Offer.

#### Note:

- Where last dates are mentioned for certain activities, such activities may happen on or before the respective last dates.
- All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. Changes to the proposed timetable, if any, will be notified to the Eligible Shareholders of the Target Company by way of corrigendum in all the newspaper in which the Detailed Public Statement has appeared.

#### 10. PROCEDURE FOR TENDERING OF EQUITY SHARES IN CASE OF NON-RECEIPT OF LETTER OF OFFER

- The Letter of Offer shall be sent to all shareholders of the Target Company holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date. All such Shareholders of the Company to whom offer has been sent, both who are holding shares in demat form as well as physical form, can tender shared under the Offer.
- Accidental omission to dispatch the Letter of Offer to any member entitled to this Open Offer or non- receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- The Offer will be implemented by the Acquirers through the stock exchange mechanism made available by the Stock Exchanges in the form of a separate window ("Acquisition Window") as provided under the SEBI SAST Regulations and the SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI read with the SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as amended from time to time, and notices / guidelines issued by Stock Exchanges and the Clearing Corporation in relation to the mechanism / process for the acquisition of shares through the stock exchange pursuant to the tender offers under takeovers, buy back and delisting, as amended and updated from time to time ("Acquisition Window Circulars").
- BSE shall be the Stock Exchange for the purpose of tendering the Equity shares in the Open Offer ("Designated Stock Exchange").
- The Acquirers have appointed Eureka Stock & Share Broking Services Limited ("Buying Broker") for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made. The Contact Details of the Buying Broker are mentioned below:

#### Eureka Stock & Share Broking Services Limited

DN-51, Merlin Infinite, 11th Floor, Salt Lake, Sector V, Kolkata - 700 091.

Tel: +91 33 6628 0000, Fax: +91 33 2210 5184, Website: [www.eurekasec.com](http://www.eurekasec.com)

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

10.7 Public Shareholder(s) will be sent the Letter of Offer and the Tender Form through Speed Post / Registered Post. Further, the Public Shareholders whose e-mail ids are registered with the Company have also been sent the Letter of Offer and the Tender Form through electronic means. In case of non-receipt of Letter of Offer, Public Shareholder(s) can access the Letter of Offer on the website of SEBI, the Registrar to the Offer, the Stock Exchanges and the Manager to the Offer at [www.sebi.gov.in](http://www.sebi.gov.in), [www.integratedindia.in](http://www.integratedindia.in), [www.bseindia.com](http://www.bseindia.com), and [www.sundaecapital.com](http://www.sundaecapital.com), respectively. Further, a Public Shareholder who wishes obtain a copy of the Letter of Offer, they may send a request to the Registrar or Manager at their respective email id mentioned in this Public Announcement stating the name, address, number of Equity Shares, client ID number, DP name / ID, beneficiary account number, Folio No. and upon receipt of such request, a copy of the Letter of Offer shall be provided to such Public Shareholder. A Public Shareholder may also participate in the Offer by downloading the Tender Form from the website of the Registrar to the Offer. A Public Shareholder holding share in physical form may also participate in the Offer by providing his / her / its application in writing on a plain paper signed by all Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered in the Offer and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Public Shareholder's PAN card(s) and executed share transfer form in favour of the Acquirers. Public Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Offer not later than 2 (two) days from the Bid Closing Date i.e. January 04, 2021, (by 5:00 p.m.). If the signature(s) of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Target Company or are not in the same order (although attested), such Tender Forms are liable to be rejected under this Offer.

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

11. The detailed procedure for tendering the equity shares in the Open Offer by the Eligible Shareholders holding shares in both, demat and physical form, will be available in the Letter of Offer that will be sent to the Eligible Shareholders of the Target Company as on the Identified Date, which will also be available on SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)).

#### 12. OTHER INFORMATION

- The Acquirers accept full responsibility for the information contained in the Public Announcement and the Detailed Public Statement and also for the obligations of the Acquirers laid down under the SEBI SAST Regulations.
- The Acquirers shall be jointly and severally responsible for the fulfillment of obligations under the SEBI SAST Regulations in respect of this Offer.
- The information pertaining to the Target Company contained in the Public Announcement or the Detailed Public Statement or any other advertisement/ publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company, as the case may be, or publicly available sources which has not been independently verified by the Acquirers or the Manager. The Acquirers do not accept any responsibility with respect to any misstatement by the Target Company in relation to such information.
- In this Detailed Public Statement, any discrepancy in any table between the total and sums of the figures listed is due to rounding off.
- This Detailed Public Announcement and Public Announcement would also be available on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)).

Manager to the Offer

Registrar to the Offer

# SUNDAE

Sundae Capital Advisors Private Limited

SEBI Regn. No.: INM000012494

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Tel.: +91 11 4914 9740

E-mail: [off.openoffer@sundaecapital.com](mailto:off.openoffer@sundaecapital.com)

Investor Grievance e-mail id: [grievances.mb@sundaecapital.com](mailto:grievances.mb@sundaecapital.com)

Website: [www.sundaecapital.com](http://www.sundaecapital.com)

Contact Person: Anchal Lohia



## Integrated

Processing Simplified

Integrated Registry Management Services Private Limited

SEBI Regn. No.: INR000000544

Address: No 30 Ramana Residency, 4th Cross Sampige Road

Malleswaram, Bengaluru - 560 003

Tel.: + 91 80 23460815-818, Fax: +91 80 23460819

E-mail ID: [giri@integratedindia.in](mailto:giri@integratedindia.in)

Website: [www.integratedindia.in](http://www.integratedindia.in)

Contact Person: Mr. Vijayagopal S/ Girdhar S

Issued by the Manager to the Offer

On behalf of Acquirers

M P Satish Babu

Sharad M S

Sukanya Satish

Syed Fahad

Bhavihal Gurusiddappa Channappa

Place: Bangalore , Date: October 28, 2020