

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (LOF) is sent to you as a shareholder(s) of **Resonance Specialties Limited** ("Target Company" / "TC"). If you require any clarification(s) about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Shares in the Target Company, please hand over this LOF and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER by

Makers Laboratories Limited having its registered office at 54-D, Kandivali Industrial Estate, Kandivali (West), Mumbai-400067
e-mail: investors@makerslabs.com; Tel: 022-28688544; CIN: L24230MH1984PLC033389

AND

Kaygee Investments Private Limited having its registered office at 203-A, Vastu Prestige, New Link Road, Andheri (West), Mumbai - 400 053

e-mail: pgodha@gmail.com; Tel: 022-26305150; CIN: U67120MH1981PTC024266

(hereinafter collectively referred to as "**Acquirers**")

to the existing shareholders of **RESONANCE SPECIALTIES LIMITED**

[CIN: L25209MH1989PLC051993]

Regd Office : 301, Evershine Mall, Off Malad Link Road, Malad West, Mumbai - 400 064.

Tel: 022-42177222; e-mail : info@resonancesl.com

TO ACQUIRE UPTO 30,01,440 Equity Shares of face value Rs.10/- each, representing in aggregate 26% of the fully diluted voting Equity Share Capital of the Target Company, for cash at a price of Rs. 55.50 per Equity Share ("Offer Price").

Notes:

1. This Offer is being made by the Acquirers pursuant to the Regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 and subsequent amendments thereto ("**SEBI SAST Regulations**") for substantial acquisition of shares/voting rights accompanied with change in control and management of the Target Company.
2. This Offer is not conditional to any minimum level of acceptance.
3. This is not a competing offer.
4. As on date of this LOF, no statutory approvals are required to be obtained for the purpose of this Open Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.
5. The Acquirers may revise the Offer Price at anytime upto 3 working days prior to the opening of the tendering period of the Offer. Any upward revision/withdrawal, if any, of the Offer would be informed by way of another Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. Consideration at the same rate will be paid by the Acquirers for all equity shares tendered anytime during the Offer.
6. There was no competing offer **[WILL BE UPDATED AT THE TIME OF FINAL LOF]**
7. A copy of the Public Announcement, Detailed Public Statement and the LOF (including Form of Acceptance-cum-Acknowledgement) are also available on Securities and Exchange Board of India's (SEBI) website: www.sebi.gov.in

MANAGER TO THE OFFER

Arihant Capital Markets Limited
Merchant Banking Division
SEBI REGN NO.: INM 000011070
#1011, Solitaire Corporate Park, Guru Hargovindji Road,
Chakala, Andheri (E), Mumbai - 400 093
Tel : 022-42254800; Fax : 022-42254880
Email: mbd@arihantcapital.com
Website: www.arihantcapital.com
Contact Persons: Mr. Amol Kshirsagar / Mr. Satish Kumar P

REGISTRAR TO THE OFFER

Adroit Corporate Services Pvt. Ltd
19-20 Jafferbhoy Industrial Estate, 1st floor,
Makwana Road, Marol Naka, Andheri East, Mumbai - 400 059.
Tel:022-42270400; **Fax:**022-28503748
Email: info@adroitcorporate.com
Website: www.adroitcorporate.com
Contact Person : Mr. N. Surreash
SEBI Regn.No.:INR000002227

The Schedule of activities is as follows:

Activity	Day and Date
Public Announcement Date	Tuesday, September 29, 2020
Detailed Public Statement Date	Wednesday, October 7, 2020
Filing of draft Letter of Offer with SEBI	Wednesday, October 14, 2020
Last date for competing offer	Wednesday, October 28, 2020
SEBI observations on draft LOF	Thursday, November 5, 2020
Identified Date (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	Monday, November 9, 2020
Date by which LOF will be despatched to the shareholders	Tuesday, November 17, 2020
Last date by which the Board of Target Company shall give its recommendation	Friday, November 20, 2020
Issue Opening Advertisement Date	Monday, November 23, 2020
Date of commencement of tendering period (open date)	Tuesday, November 24, 2020
Date of expiry of tendering period (closure date)	Tuesday, December 8, 2020
Date by which all requirements including payment of consideration would be completed	Tuesday, December 22, 2020

All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker") and tender their shares, during the normal trading hours of the secondary market during tendering period. The Equity Shares and other relevant documents should not be sent to the Acquirers or the Managers to the Offer or the Target Company.

RISK FACTORS

Risk Factors relating to the proposed Offer

1. In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation leading to a stay on this offer, or (c) SEBI instructs the Acquirers to comply with certain conditions before proceeding with the offer, then the offer procedure may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of the Target Company, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirers, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations.
2. **As per Regulation 18(9) of SEBI SAST Regulations, Shareholders who have tendered shares in acceptance of the open offer shall not be entitled to withdraw such acceptance during the tendering period, even if the acceptance of shares under the Offer and dispatch of consideration gets delayed.**
3. In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
4. The tendered shares and the documents would be held in trust with the Clearing Corporation / Registrar to the Offer until the completion of Offer formalities and during this period, shareholders who have tendered their shares in the Offer will not be able to trade in the shares on the Stock Exchanges or take advantage of upward movement in the share price, if any. Accordingly, the Acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
5. As on date of this Letter of Offer, no statutory and other approvals are required in connection with this Offer. The Open Offer would be subject to all the statutory approvals that may become applicable at a later date before the completion of the Open Offer.
6. The Acquirers and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF), Detailed Public Statement (DPS) and Public Announcement (PA); and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.
7. Upon completion of this offer, assuming full acceptance, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per the Securities Contract (Regulations) Rules (SCRR) as amended and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations). However, the Acquirers undertake to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of the SEBI LODR Regulations within the period mentioned therein. Any failure to comply with the conditions of the SCRR and the SEBI LODR Regulations could have an adverse effect on the price and tradability of the Equity Shares.

Probable risks involved in associating with the Acquirer

1. The Acquirers make no assurance with respect to the financial performance of the Target Company after completion of Open Offer and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirers make no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirers do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer.

The risk factors set forth above, pertain to the Offer and associating with the Acquirer, and are not in relation 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 participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer.

TABLE OF CONTENTS

Sr. No.	Subject	Page No.
1.	Definitions and Abbreviations	4
2.	Disclaimer Clauses	5
3.	Details of the Offer	6
4.	Background of the Acquirer	9
5.	Background of the Target Company	17
6.	Offer Price and Financial Arrangements	22
7.	Terms & Conditions of the Offer	23
8.	Procedure for Acceptance and Settlement of the Offer	25
9.	Material Documents for Inspection	30
10.	Declaration by the Acquirer	31

1. DEFINITIONS/ABBREVIATIONS

The following definitions apply through this document, unless the context requires otherwise:

1.	Acquirers	Makers Laboratories Limited and Kaygee Investments Private Limited
2.	Book Value	Book Value of each Equity Share as on the date referred to i.e. Net worth divided by number of outstanding shares.
3.	BSE	BSE Limited
4.	DPS/ Detailed Public Statement	Announcement of this Offer published on behalf of the Acquirers to the Shareholders of the Target Company on October 7, 2020 in Business Standard, English and Hindi (all editions) and Mumbai Lakshadeep, Marathi, (Mumbai edition)
5.	DLOF	Draft Letter of Offer
6.	Eligible Person(s) for the Offer	All owners (registered or unregistered) of Shares of Target Company any time before the closure of the Offer (other than the Promoters and Acquirers)
7.	EPS	Earnings per Equity Share
8.	FOA/Form of Acceptance	Form Of Acceptance Cum Acknowledgement
9.	Identified Date	Being the date for the purpose of determining the names of the Shareholders to whom the Letter of Offer will be sent
10.	Letter of Offer / LOF	This Letter of Offer
11.	Maximum Consideration	Total consideration payable by the Acquirers under this Offer assuming full acceptance by Eligible Person(s) for the Offer, amounting to Rs. 16,65,79,920/- (Rupees Sixteen Crore Sixty Five Lakhs Seventy Nine Thousand Nine Hundred Twenty only) at the current offer price.
12.	Merchant Banker / Manager to the Offer	Arihant Capital Markets Limited
13.	NAV	Net Asset Value per Equity Share
14.	NRI(s)	Non Resident Indians and persons of Indian origin residing abroad
15.	Offer	Open Offer being made by the Acquirers for acquisition of upto 30,01,440 Equity Shares to the public shareholders, representing 26% of the fully diluted paid up voting equity share capital of the Target Company at the Offer Price payable in cash.
16.	Offer Price	Rs. 55.50 per Equity Share payable in cash
17.	Public Announcement or	Public Announcement filed on September 29, 2020 with BSE Limited

	PA	and on September 30, 2020 with the Target Company and SEBI
18.	PAT	Profit after Tax
19.	PBDIT	Profit Before Depreciation, Interest and Tax
20.	PBT	Profit Before Tax
21.	RBI	Reserve Bank of India
22.	Registrar to the Offer	Adroit Corporate Services Private Limited
23.	SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 as amended till date
24.	SEBI	Securities and Exchange Board of India
25.	Share(s)	Fully paid-up Equity Shares of face value of Rs. 10/- each of the Target Company
26.	Shareholders	Shareholders of the Target Company
27.	Target Company/ the Company	Company whose Equity Shares are proposed to be acquired viz. Resonance Specialties Limited
28.	Tendering Period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from November 24, 2020 to December 8, 2020

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF RESONANCE SPECIALTIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS 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 ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER M/S. ARIHANT CAPITAL MARKETS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED OCTOBER 14, 2020 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer is being made by Makers Laboratories Limited and Kaygee Investments Private Limited pursuant to the Share Purchase Agreement (SPA) executed on September 29, 2020 amongst the Acquirers and the Sellers (details of which are given hereinafter). Pursuant to the SPA, the Acquirers had placed order for purchase of 62,62,000 Equity Shares of the Target Company constituting 54.24% of its paid-up capital, through block deal / normal market / off-market purchase on September 30, 2020. Save for this, the Acquirers do not hold any equity shares in the Target Company. This offer to acquire upto 30,01,440 Equity Shares of face value of Rs.10/- each at a price of Rs.55.50 (Rupees Fifty Five and paise Fifty only) per Equity Share, representing 26% of the fully diluted voting Equity Share capital of the Target Company, is being made in terms of Regulation 3(1) and 4 of SEBI SAST Regulations for the purpose of substantial acquisition of Equity Shares and voting rights of the Target Company accompanied with the change in control and management. The aggregate equity stake of the Acquirers in the paid up equity share capital of the Target Company will be more than the stipulated threshold of 25% consequent to the acquisition of Shares by the Acquirers through the SPA dated September 29, 2020.

3.1.2 The Acquirers have entered into a Share Purchase Agreement on September 29, 2020 ("SPA") with all the promoters of the Target Company wherein Ushma Investments Private Limited and Vista Finance & Leasing Private Limited, entities forming part of the promoter group, agreed to sell / transfer and the Acquirers agreed to acquire in aggregate 62,62,000 Equity Shares representing 54.24% of fully paid-up Equity Share capital and voting capital of the Target Company through block deal / normal market / off-market purchase at a price of Rs. 42.60 per Equity Share of the Target Company.

Details of Sellers

Serial	Name	Shares	% of paid-up capital
1	Ushma Investments Private Limited	29,00,000	25.12%
2	Vista Finance & Leasing Private Limited	33,62,000	29.12%
	Total	62,62,000	54.24%

Public Announcement under Regulation 3(1) and (4) of the SEBI SAST Regulations was made on September 29, 2020. As envisaged in the aforesaid SPA, the Acquirers placed a purchase order with their broker to acquire in aggregate 62,62,000 Equity Shares of the Target Company at a price of Rs. 42.60 per Equity Share from the Sellers as under :

- 29,00,000 Equity Shares representing 25.12% of the fully paid-up Equity Share capital and voting rights of the Target Company through block deal from Seller 1, i.e. Ushma Investments Private Limited, by Makers Laboratories Limited
- 23,50,000 Equity Shares representing 20.36% of the fully paid-up Equity Share capital and voting rights of the Target Company through block deal from Seller 2, i.e. Vista Finance & Leasing Private Limited, by Makers Laboratories Limited
- Additionally, 10,12,000 Equity Shares representing 8.76% of the fully paid-up Equity Share capital and voting rights of the Target Company through off-market purchase from Seller 2 by Kaygee Investments Private Limited

The shares bought through block deal as above on September 30, 2020, have been kept in a demat escrow account maintained with Arihant Capital Markets Limited. The initiation of the acquisition of Shares through block deal is done in accordance with Regulations 22(2A) of SEBI SAST Regulations, 2011 to consummate the transaction at terms agreed under the SPA. The Acquirers will exercise control or voting rights over the above shares in compliance with Regulation 22(2) or upon completion of the open offer formalities.

Pursuant to the execution of SPA and above mentioned purchase orders for the acquisition of Equity Shares of more than the threshold limit under the SEBI SAST Regulations 2011 by the Acquirers in the Target Company, this mandatory Open Offer is being made by the Acquirers in compliance with Regulations 3(1) and (4) and other applicable provisions of the SEBI SAST Regulations 2011.

The consideration for the shares being acquired under the SPA is Rs. 26,67,61,200/-.

The shareholding of the Sellers (pre and post SPA) in the Target Company would be as under:

Name	Pre-SPA / transaction		Post-SPA / transaction	
	Shares	%	Shares	%
Ushma Investments Pvt Ltd	31,55,639	27.34%	2,55,639	2.21%
Vista Finance & Leasing Pvt Ltd	38,79,852	33.61%	5,17,852	4.49%
	70,35,491	60.95%	7,73,491	6.70%

3.1.3 The salient features of the SPA are:

1. The total consideration for 62,62,000 Equity shares ('Sale Shares') representing 54.24% of the Equity and Voting Share Capital, at the negotiated price of Rs. 42.60 per fully paid up equity share is Rs. 26,67,61,200/-.
2. Parties may resort to purchase / sale of Sale Shares through the block deal/bulk deal normal market window of stock exchange immediately after the execution of the SPA at the price prevailing at stock exchange at the time of transaction. This Acquisition would be in compliance with Regulations 22(2A) of SEBI SAST Regulations and the acquisition would be completed in accordance with Regulation 22(2A) and Regulation 22(2) of SEBI SAST Regulations.
3. To ensure compliance with Regulations 22(2) and Regulation 22(2A) the parties to enter into Escrow Arrangement with Arihant Capital Markets Limited wherein the Acquirers will have access to voting rights and control over sale shares only after expiry of period under Regulation 22(2) of SEBI (SAST) Regulations. Similarly, the proceeds of sale shares will be released to Sellers by the Escrow Agent, who shall also act as Sellers broker only after completion of the period mentioned in said Regulation 22(2).
4. Acquirers shall not have access / control on any assets mentioned in the Books of Accounts, including Bank Account of the Target Company till the completion of all the Open Offer formalities.

- 3.1.4 Apart from the consideration of Rs. 26,67,61,200/- as envisaged under the SPA, no other compensation, directly or indirectly, is payable to the Sellers under the SPA or otherwise. The total consideration is paid / payable in cash for both the SPA and the present Open Offer.
- 3.1.5 The Acquirers intend to gain control over the Target Company and make changes in the Board of Directors of the Target Company in accordance with the provisions of SEBI SAST Regulations. As on date, the Acquirers have not decided on the names of persons who may be appointed on the Board of Directors of the Target Company.
- 3.1.7 There is no person acting in concert (PAC) with the Acquirers in respect of this Open Offer.
- 3.1.8 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.

- 3.1.9 The Board of the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, 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), 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), cause to publish such recommendation atleast 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.

3.2 Details of the proposed Offer

- 3.2.1 A detailed public statement, as per Regulation 14 (3) of the SEBI SAST Regulations, was made in the following Newspapers on October 7, 2020 :

Newspaper	Language of the Newspapers	Editions
Business Standard	English and Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai

Copy of the detailed public statement is also available at SEBI's website: www.sebi.gov.in

- 3.2.2 The Acquirers are making an open offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations as aforesaid, to the public equity shareholders of the Target Company to acquire up to 30,01,440 Equity Shares of Rs. 10/- each representing 26% of the fully diluted paid up equity voting share capital of the Target Company, at a price of Rs. 55.50 per Share ("Offer Price") payable in cash subject to the terms and conditions set out in the Public Announcement, DPS and this Letter of Offer.
- 3.2.3 The Offer price is Rs. 55.50 per Equity Share. There are no partly paid up shares.
- 3.2.4 There is no differential pricing for the shares proposed to be acquired under the open offer.
- 3.2.5 This is not a competing offer (**WILL BE UPDATED**).
- 3.2.6 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirers will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 30,01,440 Equity Shares that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the DPS and the Letter of Offer ("LOF") mailed to the shareholders of the Target Company.
- 3.2.7 All the shares to be tendered in the Open Offer shall be free from lien, charge and encumbrances of any kind whatsoever.
- 3.2.8 There was no competing offer.
- 3.2.9 The Acquirers have not purchased any Shares of the Target Company after the date of Public Announcement (PA) except the purchase of shares on September 30, 2020 as described in clause 3.1.2..

3.3 Object and Purpose of Acquisition/offer and Future Plans

- 3.3.1 The Acquirers intend to gain control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer or in accordance with Regulation 24(1) and other applicable provisions of SEBI SAST Regulations as they may deem fit.
- 3.3.2 The main objects of the Target Company, inter-alia, includes to carry on business as manufacturers, refiners, processors or formulators of and importers, exporters, traders and dealers in medical, medicinal and therapeutic preparations (whether allopathic, ayurvedic or homeopathic) and intermediates, antibiotic, enzymes, steroids, vitamins, diagnostic, biological and immunological chemicals, contraceptive substances, products materials, ingredients and articles of all kinds and classes whether simple or compound etc. The Acquirers upon completion of the present open offer, intend to pursue these objects and may undertake new business with the approval of Shareholders of the Target Company.
- 3.3.3 The Acquirers do not currently have any plans to dispose off or otherwise encumber any assets of the Target Company in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business. The Acquirers undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the Shareholders in compliance with Regulation 25(2) of the SEBI SAST Regulations.

4 BACKGROUND OF THE ACQUIRERS

4.1 Information about the Acquirers.

The Offer is being made by Makers Laboratories Limited and Kaygee Investments Private Limited.

I. Makers Laboratories Limited (MLL) [PAN : AAACM8382J; CIN : L24230MH1984PLC033389]

- (a) MLL was incorporated on July 9, 1984 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai and obtained the Certificate of Commence of Business on July 21, 1984. MLL was formed by a group of businessmen and Chartered Accountants consisting of Mr. Naval G Tated, Mr. Satish K Gupta, Mrs. Bhanu N Tated, Mrs. Bharati S Gupta, Mr. Popatlal G Tated, Mr. Suresh K Gupta and Mr. Girdharilal Gupta.

Management of MLL was changed in April 1988 when it was taken over by a group consisting of Mr. Ajitabh Bhachchan, Mr. Premchand Godha and Mr. M R Chandurkar. During the year 1997, Mr. Ajitabh Bachchan and his group divested their entire shareholding in MLL in favour of the group consisting of Mr. Premchand Godha and Mr. M R Chandurkar. The entire shareholding of Mr. Ajitabh Bachchan and his group was acquired by Mr. Premchand Godha and Mr. M R Chandurkar through their nominees viz. Win Laboratories Limited, Exon Laboratories Private Limited (now known as Kaygee Laboratories Private Limited), Mr. Nirmal Jain and Mr. Premchand Godha pursuant to Regulation 3(1)(e)(iii)(b) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("*SEBI SAST Regulations, 1997*"), being inter-se transfer of shares amongst the promoters.

The registered office of MLL is situated at 54-D, Kandivali Industrial Estate, Kandivali (West), Mumbai – 400 067; Tel : 022-28688544; e-mail : investors@makerslabs.com.

- (b) Presently, the promoters of MLL are Mr. Premchand Godha and Mr. Madhukar R. Chandurkar alongwith their family members and companies controlled by them.

- (c) MLL is engaged in manufacturing and marketing of pharmaceutical formulations. MLL's manufacturing facilities are situated at GIDC Industrial Estate, Naroda, Ahmedabad, Gujarat State.

The Equity Share capital of MLL is as under :

Face Value	Rs. 10/- per Equity Share
Authorised Capital	75,00,000 Equity Shares of Rs. 10/- each aggregating Rs. 750 lakhs
Issued, subscribed and paid-up	49,16,980 Equity Shares of Rs. 10/- each aggregating to Rs. 491.70 lakhs (rounded off)

- (d) The details of the promoters / key shareholders of MLL and their shareholding are :

S. No.	Name of the Promoter	Number of Shares	% of total capital
1	Mr. Premchand Godha	97,520	1.98
2	Mr. Prashant Godha	94,375	1.92
3	Mr. Nirmal Jain	73,600	1.50
4	Ms. Usha Godha	44,000	0.89
5	Ms. Usha Chandurkar	33,000	0.67
6	Ms. Bhawna Godha	32,400	0.66
7	Mr. Sameer Chandurkar	18,000	0.37
8	Kaygee Investments Pvt Ltd	8,54,400	17.38
9	Paschim Chemicals Pvt Ltd	7,66,672	15.59
10	Kaygee Laboratories Pvt. Ltd.	6,50,000	13.22
11	Mexin Medicaments Pvt. Ltd.	1,41,180	2.87
12	Chandurkar Investments Pvt. Ltd.	64,800	1.32
	Total	28,69,947	58.37

Mr. Premchand Godha (PAN : AFDPG6429E), aged 73 years, residing at Mumbai, is a Chartered Accountant. He has over 4 decades of experience in the Pharma Industry. Mr. Premchand Godha is the Promoter / Chairman & Managing Director / CEO of Ipca Laboratories Limited, an associated listed entity, wherein MLL is holding 480 Equity Shares. He is also on the Board of various other companies.

Mr. Madhukar R. Chandurkar (PAN : AABPC3338G), aged 80 years, residing at Mumbai is a Commerce Graduate and has more than 4 decades of experience in the Pharma Industry.

Brief details of the corporate promoters of MLL

Name of the entity	Promoters of the entity	Paid-up Equity	Activities
Kaygee Investments Pvt Ltd	Mr. Premchand Godha and his family members / associates	Rs. 23,82,820/-	Investments
Paschim Chemicals Pvt Ltd		Rs. 1,08,19,200/-	Manufacturing/marketing of APIs and Drug Intermediates
Kaygee Laboratories Pvt. Ltd.		Rs. 1,45,00,000/-	Manufacturing/marketing of APIs and Drug Intermediates
Mexin Medicaments Pvt. Ltd.		Rs. 1,08,00,000/-	Manufacturing / marketing of pharmaceuticals
Chandurkar Investments Pvt Ltd	Mr. M. R. Chandurkar and his family members / associates	Rs. 36,64,000/-	Investments

(e) Shareholding pattern of MLL (as on October 9, 2020)

Serial	Shareholders	Shares held	%
1	Promoters & associates	28,69,947	58.37
2	FII/Mutual Funds/FIs/Banks	100	-
3	Public		
	- Bodies Corporate	89,323	1.81
	- Resident individuals	16,11,757	32.78
	- Clearing Members	98,082	2.00
	- HUFs	85,492	1.74
	- NRIs	30,399	0.62
	- Others	1,31,880	2.68
	Total	49,16,980	100.00

(f) The details of Board of Directors of MLL are:

Name, Address, DIN & Date of Appointment	Qualification	Experience
Mr. Saahil Parikh 3, Shailraj Bunglows, Satelite Road, Behind Rajsuya Bunglows, Ramdevnagar, Ahmedabad - 380015 DIN : 00400079 Date of appointment : 11/08/2011	Graduate in Bio Chemistry from Gujarat University and Diploma in Management Studies from Ahmedabad Management Association.	Experience of about 21 years in the field of Pharma Production, Quality Control, Projects and General Management.
Mr. Nilesh Jain E-5-10, Jai Taramani CHS, Bangur Nagar, Goregaon West, Mumbai - 400104 DIN : 05263110 Date of appointment : 13/02/2019	A Commerce Graduate (B. Com) and M.M.S. (Masters in Management Studies) from Mumbai University.	23 years of experience in the field of Materials Management, Marketing Management, Business Development and General Management.
Mr. Raj Kamal Prasad Verma Flat No. 1902, Challenger Tower 2, Thakur Village, Kandivali East, Mumbai - 400101 DIN : 02166789 Date of appointment : 13/02/2019	Masters degree in Business Management and holds a Post Graduate Diploma in Industrial Relations and Personnel Management.	Varied industry experience of nearly 40 years mostly in the pharmaceuticals industry.
Ms. Dipti Shah Jai Bhagwan Building, 3rd Floor, Flat No.10, 87 Walkeshwar Road, Malabar Hill, Mumbai - 400006 DIN : 07995542 Date of appointment : 29/01/2018	B.Com and LL.B	She is practicing as an Advocate at The High Court of Judicature at Mumbai and as Solicitor from England & Wales.

None of the above Directors are on the Board of the Target Company. None of the Directors or key managerial personnel of MLL have any interest in the Target Company.

(g) MLL and its promoters and directors are not wilful defaulters

(h) Brief audited financial data of MLL are given hereunder

Profit & Loss Account

(Rs. in lakhs)

Particulars	31/03/2020	31/03/2019	31/03/2018
Income from operations	5,139.66	4,662.50	5,616.53
Other Income	22.55	257.17	175.82
Total Income	5,162.21	4,919.67	5,792.35
Total Expenditure	4,868.25	4,442.36	5,175.83
PBDIT	293.96	477.31	616.52
Depreciation	198.75	150.28	157.15
Interest	70.31	25.41	35.82
Profit before exceptional items & tax	24.90	301.62	423.55
PBT	24.90	301.62	423.55
Tax	37.28	56.74	117.86
PAT	(12.38)	244.88	305.69

Balance Sheet

(Rs. in lakhs)

Particulars	31/03/2020	31/03/2019	31/03/2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	491.70	491.70	491.70
Reserves & Surplus	3,970.23	3,678.45	3,190.49
Net worth	4,461.93	4,170.15	3,682.19
Non-current Liabilities			
Financial liabilities	802.77	597.04	-
Provisions	19.01	17.33	18.99
Deferred Tax liabilities (net)	167.75	87.87	73.79
Other non-current liabilities	-	-	-
Sub-total - Non-current liabilities	989.53	702.24	92.78
Current Liabilities			
Financial liabilities	1,736.67	953.78	1,430.70
Other current liabilities	30.07	26.01	15.88
Provisions	169.30	149.12	95.43
Current tax liabilities (net)	-	-	12.28
Sub-total - Current liabilities	1,936.04	1,128.91	1,554.29
TOTAL - EQUITY & LIABILITIES	7,387.50	6,001.30	5,329.26
ASSETS			
Non-current Assets			
Property, Plant & Equipment	3,055.85	1,809.53	1,661.12
Capital work-in-progress	68.68	642.12	10.71
Right of Use	225.89	-	-
Other intangible assets	6.92	0.26	0.46
Financial Assets	1,537.20	1,152.66	851.19
Other non-current assets	116.10	118.01	41.33
Sub-total - Non-current assets	5,010.64	3,722.58	2,564.81
Current Assets			
Inventories	1,068.54	1,164.52	1,334.56
Financial Assets	963.11	772.88	1,292.76
Other Current Assets	345.21	341.32	137.13
Sub-total - Current assets	2,376.86	2,278.72	2,764.45
TOTAL - ASSETS	7,387.50	6,001.30	5,329.26

Other Financial Data

Particulars	31/03/2020	31/03/2019	31/03/2018
Dividend (%)	-	10.00%	10.00%
Earnings Per Share (Rs.)*	(0.25)	4.98	6.22
Return on Net-worth (%)*	(0.28%)	5.87%	8.30%
Book Value per Share (Rs.)	90.74	84.81	74.89

Unaudited financial results of the Acquirer, for the quarter ended June 30, 2020 are as under (based on financials as filed with Stock Exchanges and Limited Review by the Statutory Auditors):

Particulars	(Rs. in lakhs)
Income from Operations	913.82
Other Income	19.36
Total Income	933.18
Total Expenditure	796.66
PBDIT	136.52
Depreciation	100.10
Interest	39.56
PBT	(3.14)
Provision for Tax	(4.70)
PAT	1.56
Share Capital	491.70

The details of Contingent Liabilities and commitments not provided for as on March 31, 2020 are as under :

Particulars	(Rs. in lakhs)
Contingent Liabilities	
Counter Guarantees given to Banks in respect of guarantees given by the bank on behalf of the Company to Government Authorities	1.13
Other moneys for which the Company is contingently liable for tax and other matters not accepted by the Company	143.42
Commitments	
Estimated amount of contracts remaining to be executed on capital account (Net of Capital Advances)	38.70
Outstanding Letter of Credit	25.16
Total	208.41

Save for the Equity Shares acquired under the SPA, MLL does not have any relationship / interest in the Target Company.

- (i) The Equity Shares of MLL are listed on BSE Limited. As on the date of PA, the closing Market Price of the Equity Shares of MLL was Rs. 83.50.
- (j) Status on Corporate Governance

MLL is compliant with the SEBI LODR Regulations in respect of Corporate Governance and has been regular in filing of the Compliance Report on Corporate Governance with BSE.

Mr. P.M. Kathariya, resigned from the Board of MLL w.e.f. September 24, 2020 due to his pre-occupation. He was the Independent Director in MLL. The vacancy caused by his resignation as an Independent Director will be filled by MLL within the stipulated time provided under Regulation 25(6) of the SEBI LODR Regulations.

(k) Details of the Compliance Officer of MLL

The compliance officer of MLL is Ms. Khyati Danani, Company Secretary, 54D, Kandivali Industrial Estate, Kandivali (W), Mumbai – 400067; Tel: 022 – 2868 8544.

- (l) There are no pending litigations against MLL the outcome of which may materially adversely affect the ability of MLL to complete the Open Offer or discharge its obligations under the SPA.

II. Kaygee Investments Pvt. Ltd. (KIPL) [PAN : AAACK2876M; CIN : U67120MH1981PTC024266]

- (a) KIPL was incorporated on April 20, 1981 under the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai as Godha Family Investments Private Limited. The name was later changed to Kaygee Investments Private Limited and a Fresh Certificate of Incorporation Consequent to Change of Name was obtained on November 7, 1985 from the Registrar of Companies, Maharashtra, Mumbai.

The registered office of KIPL is situated at 203-A, Vastu Prestige, New Link Road, Andheri (West), Mumbai – 400 053 Tel: 022-26305150; e-mail: pgodha@gmail.com

- (b) The promoters of KIPL are Mr. Premchand Godha and his family members / companies controlled by him / his family members.
- (c) KIPL is engaged in investment activities.

The Equity Share capital of KIPL is as under :

Face Value	Rs. 10/- per Equity Share
Authorised Capital	37,80,000 Equity Shares of Rs. 10/- each aggregating to Rs. 378 lakhs 40,00,000 Preference Shares of Rs. 10/- each aggregating to Rs. 400 lakhs
Issued, subscribed and paid-up	2,38,282 Equity Shares of Rs. 10/- each aggregating to Rs. 23.83 lakhs (rounded off)

- (d) The details of the promoters / key shareholders of KIPL and their shareholding are :

S. No.	Name of the Promoter	Number of Shares	% of total capital
1	Mr. Premchand Godha	55,996	23.50
2	Ms. Usha Godha	41,395	17.37
3	Gudakesh Investments & Traders Pvt Ltd	40,000	16.79
4	Paranthapa Investments & Traders Pvt Ltd	35,000	14.69
5	Mr. Prashant Godha	30,573	12.82
6	Mr. Pranay Godha	30,517	12.81
7	Ms. Neetu Godha	2,428	1.02
8	Ms. Bhawna Godha	2,372	1.00
9	Others	1	-
	Total	2,38,282	100.00

Mr. Premchand Godha (PAN : AFDPG6429E), aged 73 years, residing at Mumbai, is a Chartered Accountant. He has over 4 decades of experience in the Pharma Industry. Mr. Premchand Godha is the Promoter / Chairman & Managing Director / CEO of Ipca Laboratories Limited, an associated listed entity, wherein MLL is holding 480 Equity Shares. He is also on the Board of various other companies.

Brief details of the corporate promoters of KIPL

Name of the entity	Promoters of the entity	Paid-up Equity	Activities
Gudakesh Investments & Traders Pvt Ltd	Mr. Premchand Godha and his family members / associates	Rs. 5,00,000/-	Investments
Paranthapa Investments & Traders Pvt Ltd		Rs. 5,00,000/-	

(e) Shareholding pattern of KIPL as on date :

Serial	Shareholders	Shares held	%
1	Promoters & associates	2,38,282	100.00
2	FII/Mutual Funds/FIs/Banks	Nil	N.A.
3	Public	Nil	N.A.
	Total	2,38,282	100.00

(f) The details of Board of Directors of KIPL are:

Name, Address, DIN and Date of Appointment	Qualification	Experience
Mr. Premchand Giglal Godha 1701/1702, Oberoi Sky Heights Lokhandwala Complex, Andheri West, Mumbai - 400053 DIN : 00012691 Date of appointment : 20/04/1981	Chartered Accountant	Over 4 decades of experience in the Pharma Industry
Mr. Prashant Premchand Godha 1701/1702, Oberoi Sky Heights Lokhandwala Complex, Andheri West, Mumbai - 400053 DIN : 00012759 Date of appointment : 24/06/1994	Post Graduate in Business Management	Over 2 decades of experience in marketing and General Management
Mr. Pranay Premchand Godha 1701/1702, Oberoi Sky Heights Lokhandwala Complex, Andheri West, Mumbai - 400053 DIN : 00016525 Date of appointment : 16/04/2012	MBA - NewYork Institute of technology	Over 2 decades of experience in marketing and General Management

None of the above Directors are on the Board of the Target Company. None of the Directors or key managerial personnel of KIPL have any interest in the Target Company.

(g) KIPL and its promoters and directors are not wilful defaulters

(h) Brief audited financial data of KIPL are given hereunder

Profit & Loss Account

(Rs. in lakhs)

Particulars	30/06/2020	31/03/2020	31/03/2019	31/03/2018
Income from operations	11.40	2,564.20	1,251.93	286.76
Other Income	-	0.33	23.73	-
Total Income	11.40	2,564.53	1,275.66	286.76
Total Expenditure	0.33	371.96	958.29	5.36
PBDIT	11.08	2,192.57	317.37	281.40
Depreciation	-	0.01	0.09	0.20
Interest	3.03	29.48	68.40	21.19
Profit before exceptional items & tax	8.04	2,163.08	248.88	260.01
PBT	8.04	2,163.08	248.88	260.01
Tax	1.26	11.43	9.86	1.63
PAT	6.78	2,151.65	239.02	258.38

Balance Sheet

(Rs. in lakhs)

Particulars	30/06/2020	31/03/2020	31/03/2019	31/03/2018
EQUITY AND LIABILITIES				
Shareholders' funds				
Share Capital	23.83	23.83	23.83	23.83
Reserves & Surplus	14,230.47	14,223.68	12,072.03	11,833.00
Net worth	14,254.30	14,247.51	12,095.86	11,856.83
Non-current Liabilities				
Long term borrowings	110.00	110.00	1,254.00	1,577.00
Sub-total - Non-current liabilities	110.00	110.00	1,254.00	1,577.00
Current Liabilities				
Trade payable	0.54	0.60	283.87	0.33
Other current liabilities	24.96	24.91	31.89	18.74
Short term Provisions	1.33	0.45	4.17	7.33
Sub-total - Current liabilities	26.83	25.96	319.93	26.40
TOTAL - EQUITY & LIABILITIES	14,391.13	14,383.47	13,669.79	13,460.23
ASSETS				
Non-current Assets				
Property, Plant & Equipment	0.12	0.12	0.14	0.23
Non-current Investments	13,138.54	13,138.54	12,852.04	11,987.04
Long term Loans & advances	237.97	237.97	382.49	1,461.54
Sub-total - Non-current assets	13,376.63	13,376.63	13,234.67	13,448.81
Current Assets				
Trade receivables	-	3.57	341.82	-
Cash & Bank balance	1,006.96	995.59	85.01	3.94
Short-term Loans & Advances	0.12	0.14	1.55	0.15
Other current assets	7.42	7.54	6.73	7.32
Sub-total - Current assets	1,014.50	1,006.84	435.11	11.41
TOTAL - ASSETS	14,391.13	14,383.47	13,669.78	13,460.23

Other Financial Data

Particulars	31/03/2020	31/03/2019	31/03/2018
Dividend (%)	-	-	-
Earnings Per Share (Rs.)*	902.99	100.31	108.44
Return on Net-worth (%)*	15.10%	1.98%	2.18%
Book Value per Share (Rs.)	5,979.26	5,076.28	4,975.97

The details of Contingent Liabilities and commitments not provided for as on June 30, 2020 are as under :

Particulars	(Rs. in lakhs)
Contingent Liabilities	
Disputed income tax demands for which the Company is in appeal	228.03
Total	228.03

Save for the Equity Shares acquired under the SPA, KIPL does not have any relationship / interest in the Target Company.

- (i) The Equity Shares of KIPL are not listed on any Stock Exchanges.
- (j) There are no pending litigations against KIPL the outcome of which may materially adversely affect the ability of KIPL to complete the Open Offer or discharge its obligations under the SPA.

4.2 In respect of the shares acquired as envisaged under the SPA, the Acquires have complied with the applicable provisions of Chapter V of SEBI SAST Regulations, 2011 on due date.

4.3 The Acquirers are not prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") or under any of the Regulations made under the SEBI Act.

4.4 There is no Person Acting in Concert (hereinafter referred to as "PAC") with the Acquirer for this Open Offer.

4.5 Relationship amongst the Acquirers

- (a) Mr. Premchand Godha, one of the promoters of MLL is the promoter / person in control of KIPL alongwith his family members / associate companies.
- (b) KIPL is forming part of the promoter group of MLL and holds 8,54,400 Equity Shares in it representing 17.38% of the paid-up capital of MLL
- (c) Apart from the above shareholding of KIPL in MLL, Premchand Godha and his family members / group and associate entities hold 18,99,747 Equity Shares in MLL representing 38.63% of the paid-up capital of MLL.

5. BACKGROUND OF THE TARGET COMPANY

5.1 Resonance Specialties Limited, the Target Company, was incorporated on June 1, 1989 as Armour Polymers Private Limited under the Companies Act, 1956, with the Registrar of Companies, Maharashtra, Mumbai. The Target Company was converted into public limited company on March 3, 1990 and later the name of the target company was changed to the present one on January 12, 2004 and a fresh Certificate of Incorporation consequent to the change of name was obtained from the Registrar of Companies, Maharashtra, Mumbai.

The business of the Target Company is managed by Dr. Atma Bandhu Gupta, Managing Director who is assisted by the Whole Time Directors under the supervision of the Board of Directors of the Target Company. It is presently engaged in manufacturing of specialties chemicals, such as pyridine and related products.

5.2. The shares of the Target Company are listed on BSE Limited..

5.3. Share Capital Structure of the Target Company

The Authorised Share Capital of the Target Company is Rs. 15,00,00,000/- comprising of 1,50,00,000 Equity Shares of Rs. 10/- each.

The paid-up capital of the Target Company is Rs. 11,54,40,000/- comprising of 1,15,44,000 Equity Shares of Rs. 10/- each.

5.4 There are no outstanding convertible instruments / partly-paid up Equity Shares in the Target Company.

5.5 Composition of the Board of Directors:

Name	DIN	Designation
Dr. Atma Bandhu Gupta	00025255	Managing Director
Mr. Bishwanath Prasad Agrawal	02724594	Non Executive Director
Ms Archana Surendra Yadav	07335198	Independent Director
Mr. Ajay Patadia	00298226	Independent Director
Mr. Ashish Harishbhai Katariya	08601262	Wholetime Director
Mr. Dwarika Prasad Agrawal	07194113	Wholetime Director / CFO

None of the Directors of the Target Company represents the Acquirer.

5.6 There have been no merger/de-merger / spin off during the last 3 years involving the Target Company

5.7 **Financial Highlights of the Target Company**

The brief audited financial details of the Target Company for the last 3 Financial Years are as under:

Profit & Loss

(Rs. in lakhs)

Particulars	31/03/2020	31/03/2019	31/03/2018
Income from operations	5,620.30	4,162.94	3,596.07
Other Income	188.62	139.17	110.79
Total Income	5,808.92	4,302.11	3,706.86
Total Expenditure	4,843.45	3,673.55	3,531.41
PBDIT	965.47	628.56	175.45
Depreciation	91.72	90.64	114.62
Interest	35.44	53.59	54.84
Profit before exceptional items & tax	838.31	484.33	5.99
Exceptional items	146.20	1.67	2.61
Prior period items	-	6.82	-
PBT	692.11	475.84	3.38
Tax	141.34	155.38	80.20
PAT	550.77	320.46	(76.81)

Balance Sheet

(Rs. in lakhs)

Particulars	31/03/2020	31/03/2019	31/03/2018
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	1,154.40	1,154.40	1,154.40
Reserves & Surplus	1,898.96	1,492.60	1,171.82
Net worth	3,053.36	2,647.00	2,326.22
Non-current Liabilities			
Borrowings	-	-	1.20
Long term Provision	40.40	25.95	20.43
Deferred tax liabilities	168.71	182.48	159.70
Sub-total - Non-current liabilities	209.11	208.43	181.33
Current Liabilities			
Borrowings	-	-	335.74
Trade payables	659.20	684.60	597.38
Other financial liabilities	52.48	71.04	217.47
Other current liabilities	4.91	58.79	15.66
Short-term provisions	7.22	7.23	8.27
Current tax liability (net)	184.88	139.41	3.06
Sub-total - Current liabilities	908.69	961.07	1,177.58
TOTAL - EQUITY & LIABILITIES	4,171.16	3,816.50	3,685.13
ASSETS			
Non-current Assets			
Property, plant & equipment	1,382.53	1,374.09	1,422.43
Capital work-in-progress	184.22	83.39	59.92
Other intangible assets	28.67	32.98	37.44
Other financial assets	117.31	131.36	145.00
Other non-current assets	2.36	6.80	2.55
Sub-total - Non-current assets	1,715.09	1,628.62	1,667.34
Current Assets			
Inventories	1,338.49	887.84	993.06
Trade receivables	613.65	756.94	665.19
Cash & cash equivalents	192.48	101.00	0.82
Other bank balances	62.89	68.58	57.47
Other financial assets	70.82	6.69	8.71
Other current assets	177.74	366.83	292.54
Sub-total - Current assets	2,456.07	2,187.88	2,017.79
TOTAL - ASSETS	4,171.16	3,816.50	3,685.13

Other Financial Data

Particulars	31/03/2020	31/03/2019	31/03/2018
Dividend (%)	10.00%	-	-
Earnings Per Share (Rs.)	4.73	2.78	(0.60)
Return on Net worth (%)	18.04%	12.11%	(3.30%)
Book Value per Share (Rs.)	20.65	22.93	20.15

Unaudited financial results of the Target Company, for the 3 months period ended June 30, 2020 are as under *(based on financials as filed with BSE and Limited Review by the Statutory Auditors)*

Particulars	(Rs. in lakhs)
Income from operations	1,077.22
Other Income	33.98
Total Income	1,111.20
Total Expenditure	998.07
PBDIT	113.13
Depreciation	22.53
Interest/finance cost	1.74
PBT	88.86
Provision for Tax	25.80
(Loss) / Profit After Tax	63.06
Share Capital	1,154.40
EPS (Rs.)	0.53

5.8 Pre and Post - Offer Share holding pattern of the Target Company shall be as follows:

Category of the shareholder	Shareholding prior to the acquisition and offer		Shares agreed to be acquired which triggered off the Regulation		Shares to be acquired in open offer (Assuming full Acceptance)		Shareholding after the acquisition and offer pursuant to the Regulations i.e. (A)+(B)+(C)=(D)		Remarks
	(A) Nos	%	(B) Nos	%	(C) Nos	%	Nos	%	
(1) Promoter Group (refer note 1)									-
Alok Gupta	41,800	0.36			-	-	41,800	0.36	-
Anoop Atma Gupta	23,200	0.20			-	-	23,200	0.20	-
Usha Gupta	1	-			-	-	1	-	-
Atma Bandhu Gupta	1	-					1	-	-
Avignon Chemicals Private Limited	92,732	0.80			-	-	92,732	0.80	-
Ushma Investments Private Limited	31,55,639	27.33	(29,00,000)	25.12	-	-	2,55,639	2.21	-
Vista Finance & Leasing Private Limited	38,79,852	33.61	(33,62,000)	29.12			5,17,852	4.49	
									-
Total (1)	71,93,225	62.31	(62,62,000)	(54.24)	-	-	9,31,225	8.06	-
(2) Acquirers									-
Makes Laboratories Limited	-	-	52,50,000	45.48	-	-	52,50,000	45.48	-
Kaygee Investments Private Limited	-	-	10,12,000	8.76	30,01,440	26.00	40,13,440	34.77	-
	-	-							-
	-	-							-
	-	-							-
									-
(3) Parties to agreement other than 1 & 2	-	-	-	-	-	-	-	-	-
Total (3)	-	-	62,62,000	54.24	30,01,440	26.00	92,63,440	80.25	-
(4) Public									-
a) FIs/MFs/FII/Banks	8,300	0.07	-	-					-
b) Others	43,42,475	37.62	-	-	(30,01,440)	(26.00)	13,49,335	11.69	-
Total (4)	43,50,775	37.69	-	-	(30,01,440)	(26.00)	13,49,335	11.69	-
									-
Total (1+2+3+4)	1,15,44,000	100.00	-	-	-	-	1,15,44,000	100.00	-

Notes

1. In terms of the SPA executed amongst the Promoters of the Target Company and the Acquirers, the shares held by the selling shareholders (totalling to 62,62,000 Equity Shares) are deposited in a Demat Escrow Account to be transferred to the Acquirers in compliance with the Regulation 22(2) of the SEBI SAST Regulations.
2. The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the shareholders to this Open Offer.
3. As on October 9, 2020, there were 11,136 shareholders in the Target Company.
4. Post completion of all the open offer formalities, the Sellers and the existing members of the promoter group will be reclassified as non-promoters in due compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other regulatory requirements as applicable.

- 5.9 The acquisition of Equity Shares under the Offer (assuming full acceptance) may result in public shareholding in Target Company being reduced below 25% of the Equity Share Capital, which is the minimum level required as per the Securities Contract (Regulations) Rules as amended and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”). Accordingly, the Acquirers undertake that they shall take necessary steps to facilitate compliance of the Target Company with regard to the minimum public shareholding norms as set out in the SEBI LODR Regulations / Securities Contract (Regulations) Rules.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Offer price

6.1.1 The shares of the Target Company are listed on BSE.

6.1.2 The Equity Shares of the Target Company are listed at BSE. The Target Company has entered into agreement for dematerialization of shares with CDSL and NSDL. The ISIN Number allotted to the company is INE486D01017. The annualised trading turnover of Shares of the Target Company during the preceding 12 calendar months prior to the month in which PA was made, i.e. during the months from September 2019 to August 2020 is given below :

Name of stock Exchange	Total no. of shares traded during the 12 calendar months prior to the month in which PA was made.	Total No. of listed Shares	Annualized Trading turnover (in terms of % to total listed shares)
BSE	37,33,985	1,15,44,000	32.35%

Based on the parameters set out in the Regulation 2(j) of SEBI SAST Regulations 2011, the Equity Shares of the Target Company are deemed to be frequently traded.

6.1.3 Justification of offer price:

The offer price of Rs. 55.50 per Equity Share of the Target Company has been determined after considering the following in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations:

PARTICULARS	Price (Rs.)
1. Negotiated price	42.60
2. Volume weighted average price paid/payable for acquisitions during the 52 weeks preceding the date of public announcement	N.A.
3. Highest price paid/payable for acquisition during the 26 weeks preceding the date of public announcement	N.A.
4. Volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of public announcement (<i>where the shares are frequently traded</i>)	55.14
5. Highest of the above	55.14
6. Offer Price	55.50

- 6.1.4 There is no revision in offer price since the date of public announcement made on September 29, 2020 till date of this LOF. The offer price does not warrant any adjustment for corporate actions.

- 6.1.5 In case the Acquirers acquire or agree to acquire whether by themselves or through or with persons deemed to be acting in concert with them any shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition and would be notified to the shareholders. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.
- 6.1.6 Subject to other Regulations, the Acquirers may, in terms of Regulation 18(4) of the SEBI SAST Regulations, make upward revision of the offer price at any time prior to the commencement of the last three working days before the commencement of the tendering period. Announcement of such revision would also be made in all the newspapers in which this DPS is made.
- 6.1.7 The Manager to the Offer, Arihant Capital Markets Limited does not hold any Equity Shares in the Target Company on its own account, as at the date of LOF. The Manager to the Offer further declare and undertake that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

6.2 Financial arrangements:

- 6.2.1 Assuming full acceptance, the total fund requirements to meet this Offer is Rs. 16,65,79,920/- (Rupees Sixteen Crore Sixty Five Lakhs Seventy Nine Thousand Nine Hundred Twenty only).
- 6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations 2011, the Acquirers have deposited Rs. 16,66,00,000/- (Rupees Sixteen Crores Sixty Six Lakhs only) by way of cash, being over 100% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with ICICI Bank Limited, Capital Market division, Churchgate branch, Mumbai, with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirers have duly empowered the Managers to the Offer to realise the value of the Escrow Account in terms of Regulation 21(1) of the SEBI SAST Regulations 2011.
- 6.2.3 The Acquirers have adequate resources to meet the financial requirements of the Offer. The fund requirements will be met from own sources/Net Worth and no borrowings from Banks / FIs or Foreign sources such as NRIs or otherwise is envisaged by the Acquirer. The Acquirers hereby declare and confirms that they have adequate and firm financial resources to fulfil the total financial obligation under the Offer.
- 6.2.4 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 fulfil their obligations through verifiable means in relation to the Offer in accordance with the SEBI SAST Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions:

- 7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirer, Promoters, deemed PACs) whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours as on the Identified Date.

- 7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4 The LOF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.
- 7.1.5 While it would be ensured that the Letter of Offer is despatched by the due date to all the eligible shareholders as on the Identified Date, non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever
- 7.1.6 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance-cum-Acknowledgement sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.7 Any equity shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from 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.
- 7.2 Locked in shares – There are no locked-in shares held by the public shareholders to whom this open offer is being made.
- 7.3 **Persons eligible to participate in the Offer**

Except the Acquirers, and the Promoters / promoter group of the Target Company, all the registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, are eligible to participate in the Offer.

7.4 Statutory and Other Approvals

- (a) As of the date of this LOF, to the best of the knowledge of the Acquirers, there are no statutory approvals required by the Acquirers to complete this Offer. However, in case of any such statutory approvals are required by the Acquirers at a later date before the expiry of the tendering period, this Offer shall be subject to such approvals and the Acquirers shall make the necessary applications for such statutory approvals.
- (b) If any of the public shareholders of the Target Company that are not resident in India (such as NRIs, OCBs and FIIs) require any approvals inter alia from the Reserve Bank of India or any regulatory body for the transfer any Equity Shares to the Acquirers, they shall be required to submit such approval along with the other documents required to be tendered to accept this Offer. If such approval is not submitted, the Acquirers reserve the right to reject the Equity Shares tendered by such shareholders that are not resident in India. Subject to the receipt of statutory and other approvals, if any, the Acquirers shall complete all procedures relating to payment of consideration under this Offer within 10 working days from the date of expiry of the tendering period to those Equity Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirers.
- (c) In terms of Regulation 18(11) of the SEBI SAST Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirers agreeing to pay interest to the Shareholders as may be directed by the SEBI.

- (d) The Acquirers may withdraw the offer only in compliance with Regulation 23 of the SEBI SAST Regulations, 2011.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 The Target Company is presently having connectivity with Central Depository Services (India) Limited ('CDSL') and National Securities Depositories Limited ('NSDL'). The ISIN of the Target Company is INE486D01017.
- 8.2 The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism as provided under the SEBI (SAST) Regulations and circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016.
- 8.3 BSE will be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.
- 8.4 The Acquirer shall request BSE to provide a separate acquisition window ("Acquisition Window") to facilitate placing of sell orders by Public Shareholders who wish to tender their Equity Shares in the Open Offer.
- 8.5 The Acquirer has appointed Arihant Capital Markets Limited ("Buying Broker") having their corporate office at 1011, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai - 400 093, as its broker for the Open Offer through whom the purchase and settlement of the Offer Shares tendered in the Open Offer will be made during the Tendering Period.
- 8.6 Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), for placing of sell orders during the normal trading hours of the secondary market during Tendering Period. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders.
- 8.7 The Selling Brokers can enter orders for both physical as well as dematerialised Equity Shares. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the BSE during the Tendering Period.
- 8.8 Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as a client (KYC Compliant).
- 8.9 Procedure for tendering Equity Shares held in dematerialised Form:
- All the shareholders who are holding the Equity Shares in demat form and desire to tender their Equity Shares under the Open Offer would be required to make available their shares for bidding to their respective stock broker ("Selling Broker"). The shareholders have to intimate their Selling Broker to place the bid during the normal trading hours of the secondary market during the Tendering Period.
 - The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
 - 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 close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
 - The Seller Member would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of the BSE. Before placing the bid, the Shareholder would be required to transfer the tendered Equity Shares to the

special account of Indian Clearing Corporation Limited (the “ICCL”), by using the early pay in mechanism prior to placing the bid by the Seller Member.

- e) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Designated Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- f) Upon placing the order, the Selling Broker(s) shall provide 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.
- g) The Public Shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to proportionate allocation in the Open Offer.
- h) Modification / cancellation of orders will not be allowed during the period the Offer is open.
- i) The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period
- j) The Public Shareholders holding Equity Shares in demat mode need not fill any Form of Acceptance-cum-Acknowledgement and the placing of sell order in the Acquisition window and transfer of shares to clearing corporation/ stock exchange would be deemed to their Acceptance-cum-acknowledgement . The Public Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

8.10 Procedure to be followed by Public Shareholders holding Equity Shares in the physical form

As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Press Release (PR) no. 51/2018 dated December 03, 2018 and Press Release (PR) no. 12/2019 dated March 27, 2019, requests for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. April 1, 2019. However, in accordance SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 read with para 58 of FAQs on SEBI (SAST) Regulations dated July 02, 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.

8.11 The procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below:

- (a) Public Shareholders who are holding Equity Shares in physical form and intend to participate in the Open Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out, including
 - Signed Acceptance cum Acknowledgement Form
 - original share certificate(s);
 - valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Target Company;
 - self-attested copy of the shareholder’s PAN Card; and
 - any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.

In addition, if the address of the Public 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:

- valid Aadhar card;
 - voter identity card; or
 - passport
- (b) Based on these documents, the Selling Broker shall place the bid on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of the Stock Exchanges. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“TRS”) generated by the Stock Exchange bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, certificate number, distinctive number of Equity Shares tendered etc.
- (c) The Selling Broker/ Public Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer i.e. Adroit Corporate Services Private Limited (at the following address: 19-20, Jafferbhoy Industrial Estate, 1st floor, Makwana Road, Marol Naka, Andheri East, Mumbai – 400 059) within 2 days of bidding by the Selling Broker, but in no event later than the date of closure of the Offer i.e. December 8, 2020 (by 5.00 p.m.(IST)). The envelope should be super scribed as “Resonance Open Offer”. A copy of the TRS will be retained by the Registrar and it will provide acknowledgement of the same to the Selling Broker / Public Shareholder.
- (d) The Public Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for the Open Offer shall be subject to verification as per the SEBI SAST Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as ‘unconfirmed physical bids’. Once the Registrar confirms the bids, they will be treated as ‘confirmed bids’.
- (e) In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance-cum-Acknowledgement.
- (f) **Shareholders holding physical shares should note that the tendering can happen only through their Share/ stock broker and the physical share certificates, transfer deeds and other documents have to reach the Registrar within the specified time period [latest by December 8, 2020 5.00 p.m. IST] for participation in the Open Offer. Sending of share certificates and other documents to Manager to the Offer / Registrar/ Acquirer / Target Company will be invalid. The share certificates and other documents could be misplaced / lost / delayed in transit, and the public shareholders will be solely liable for the eventualities.**

8.12 Procedure for tendering the shares in case of non-receipt of LOF

Public 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, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the LOF, may also participate in this Offer. Public Shareholders may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this LOF or in the Form of Acceptance-cum-Acknowledgement.

The LOF along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the Public Shareholders as of the Identified Date. In case of non-receipt of the LOF, such Public Shareholders may download the same from the websites of SEBI (www.sebi.gov.in), the Registrar to the Offer

(www.adroitcorporate.com), the Manager to the Offer (www.arihantcapital.com) and BSE (www.bseindia.com).

Alternatively, in case of non-receipt of the LOF, the 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 Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents as mentioned in Paragraphs 8.10 and 8.11. Such Shareholders have to ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

- 8.13 Non-receipt of the LOF by, or accidental omission to dispatch this LOF to any shareholder, shall not invalidate the Offer in any way.
- 8.14 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Public Shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirer or the Manager to the Offer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Public Shareholders are advised to adequately safeguard their interest in this regard.
- 8.15 **Acceptance of Equity Shares**

The Equity Shares tendered in the Offer shall be held in the pool account of the broker / in trust by the Clearing Corporation /Registrar to the Offer until the completion of the Offer formalities. Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares and physical Equity Shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, 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 Shareholders shall not be less than the minimum marketable lot.

8.16 **Settlement Process**

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer. The Equity Shareholders will have to ensure that they keep the depository participant ("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 shares under the Offer. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders, shall be returned to the Public Shareholders by the Clearing Corporation. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall 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.

Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by registered post/speed post back to the Public Shareholder(s) directly by Registrar to the Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the registered Public Shareholders'/ unregistered owners' sole risk to the sole/ first Public Shareholder/ unregistered owner.

8.17 Settlement of Funds / Payment Consideration

The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Equity Shareholders.

If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders. The payment will be made to the Buying Broker for settlement.

For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker will receive funds payout in their settlement bank account. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder / Selling Broker (s) as per secondary market pay out mechanism. The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker.

The payment will be made to the Buying Broker for settlement.

For Equity Shares accepted under the Open Offer, the Selling Broker / custodian participant will receive funds payout in their settlement bank account. The Selling Brokers / custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism.

Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public Shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

- 8.18 The Acquirer and the PACs, as well as the Manager to the Offer hereby undertake to comply with the provisions of SEBI circular no. SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020 and SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated June 27, 2020 in relation to relaxations vis-à-vis procedural matters relating to tender offers under the SEBI (SAST) Regulations on account of COVID-19 pandemic, to the extent applicable.

9. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Eligible Equity Shareholders at the office of the Manager to the Offer on all working days (i.e., Monday through Friday except Saturdays, Sundays and bank holidays in Mumbai) between 10:30 a.m. to 3:00 p.m. from the date of opening of the Offer until the closure of this Offer:

- a) Copy of Share Purchase Agreement dated September 29, 2020 entered into between the Acquirers and the Promoters of the Target Company
- b) Annual Reports of the Target Company for the financial years 2019-20, 2018-19 and 2017-18 and limited reviewed accounts as on June 30, 2020
- c) Copy of Certificate of Incorporation, Memorandum and Articles of Association of the Target Company
- d) Copy of Certificate of Incorporation, Memorandum and Articles of Association of the Acquirers i.e. Makers Laboratories Limited and Kaygee Investments Private Limited
- e) Letter dated October 9, 2020 issued by ICICI Bank Limited confirming the amount kept in the Escrow Account.
- f) Copy of Escrow Agreement dated September 29, 2020 executed between the Acquirers, the Managers to the Offer and ICICI Bank Limited (the Escrow Banker) detailing the mode of operation of the Escrow account
- g) Copy of Agreement dated September 29, 2020 executed between the Acquirers and the Managers to the Offer
- h) Copy of Share Escrow Agreement dated September 29, 2020 regarding holding of the sale shares under the SPA in a Demat Escrow account
- i) Copy of Memorandum of Understanding (MOU) dated September 30, 2020 executed between the Acquirers and the Registrars to the Offer
- j) A copy of Public Announcement dated September 29, 2020
- k) Copy of Detailed Public Statement dated October 7, 2020
- l) SEBI observation Letter dated [•] bearing reference No. [•] on the Draft Letter of Offer filed with them

10. DECLARATION

1. In terms of Regulation 25(3) of the SEBI SAST Regulations, the Acquirers accept full responsibility for the information contained in the Letter of Offer, Form of Acceptance, Public Announcement and Detailed Public Statement and also for ensuring compliance with the SEBI SAST Regulations.
2. The Manager to the Offer hereby states that the person signing this Letter of Offer are the Acquirers.

Signed by the Acquirers

For Makers Laboratories Limited	For Kaygee Investments Private Limited
Director	Director

Date: October 14, 2020

Encl.:

1. Form of Acceptance cum Acknowledgement