

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer ("LOF") is sent to you as a shareholder(s) of Krebs Biochemicals And Industries Limited ("the Company" / "Target Company"). 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 sale was effected.

OPEN OFFER by

Ipcalaboratories Limited having Registered Office at 48, Kandivli Industrial Estate, Kandivli (West), Mumbai - 400 067; Tel : 022-62106050; Fax : 022-62105439; e-mail : harish.kamath@ipca.com; CIN : L24239MH1949PLC007837
(hereinafter referred to as "the Acquirer")

to the existing shareholders of **Krebs Biochemicals and Industries Limited**
Regd Off: 8-2-577/B, 3rd floor, Maas Heights, Road No. 8, Banjara Hills, Hyderabad - 500 034
Tel: 040-66037777; Fax : 040-66037755; e-mail : com_sec@krebbsbiochem.com; CIN: L24110TG1991PLC013511

TO ACQUIRE

35,73,515 fully paid-up Equity Shares of Rs. 10/- each, representing 26% of the fully diluted post-preferential voting Equity Share Capital of the Target Company, for cash at a price of Rs. 54/-per Equity Share.


Notes:

- The Offer is being made by the Acquirer pursuant to the Regulations 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 ("SEBI SAST Regulations")
- This Offer is not conditional to any minimum level of acceptance.
- This is not a competing offer.
- There are no statutory approvals required to acquire equity shares that are tendered pursuant to 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.
- If there is any upward revision in the Offer Price or withdrawal by the Acquirer at any time prior to commencement of the last three working days before the commencement of the Tendering Period, you will be informed by way of another Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer.
- There was no competing offer.
- 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 ltd.**
Merchant Banking Division
SEBI REGN NO.: INM 000011070
1011, Solitaire Corporate Park,
Guru Hargovindji Marg, Chakala
Andheri (E), Mumbai - 400 093
Tel : 022-42254800/862; Fax : 022-42254880
Email: mbd@arihantcapital.com
Website: www.arihantcapital.com
Contact Persons: Mr. Amol Kshirsagar /
Mr. Satish Kumar P.

REGISTRAR TO THE OFFER

 **Karvy Computershare Private Limited**
SEBI REGN NO. INR000000221
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,
Hyderabad - 500 032
Tel: +91 40 67162222
Fax: +91 40 2343 1551
Contact Person: Mr. M Muralikrishna
Email: murali.m@karvy.com

The Schedule of activities is as follows:

Activity	Original Schedule	Revised Schedule
Public Announcement Date	Friday, February 13, 2015	Friday, February 13, 2015
Detailed Public Statement Date	Tuesday, February 24, 2015	Tuesday, February 24, 2015
Filing of draft Letter of Offer with SEBI	Tuesday, March 3, 2015	Tuesday, March 3, 2015
Last date for competing offer	Wednesday, March 18, 2015	Wednesday, March 18, 2015
SEBI observations on draft LOF	Wednesday, March 25, 2015	Wednesday, October 21, 2015
Identified Date (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent)	Thursday, March 26, 2015	Monday, October 26, 2015
Date by which LOF will be despatched to the shareholders	Tuesday, April 7, 2015	Monday, November 2, 2015
Last date by which the Board of Target Company shall give its recommendation	Friday, April 10, 2015	Thursday, November 5, 2015
Issue Opening Advertisement Date	Monday, April 13, 2015	Friday, November 6, 2015
Date of commencement of tendering period (open date)	Wednesday, April 15, 2015	Monday, November 9, 2015
Date of expiry of tendering period (closure date)	Tuesday, April 28, 2015	Tuesday, November 24, 2015
Date by which all requirements including payment of consideration would be completed	Thursday, May 14, 2015	Wednesday, December 9, 2015

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 Acquirer 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 Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of 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 by the 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. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Letter of Offer (LOF)/ Detailed Public Statement (DPS)/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.

Probable risks involved in associating with the Acquirer

1. The Acquirer makes no assurance with respect to the financial performance of the Target Company after acquisition of joint control of management and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
2. The Acquirer makes no assurance with respect to its investment/divestment decisions relating to its existing and proposed shareholding in the Target Company.
3. The Acquirer does 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.

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1. DEFINITIONS/ABBREVIATIONS

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

1.	Acquirer	Ipca Laboratories Limited
2.	Act	Companies Act, 2013
3.	Book Value	Book Value of each Equity Share as on the date referred to
4.	BSE	BSE Limited
5.	DPS/ Detailed Public Statement	Announcement of this Offer published on behalf of the Acquirer to the Shareholders of the Target Company on February 24, 2015 in Business Standard, English and Hindi (all editions), Mumbai Lakshwadeep (Mumbai) and Prajashakti (Hyderabad)
6.	Eligible Person(s) for the Offer	All owners (registered or unregistered) of Shares of Target Company (other than the Acquirer, deemed PACs and Promoters) anytime before the closure of the Offer
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 Acquirer under this Offer assuming full acceptance by Eligible Person(s) for the Offer, amounting to Rs. 19,29,69,810/- (Rupees Nineteen Crore Twenty Nine Lakhs Sixty Nine Thousand Eight Hundred Ten only)
12.	Merchant Banker/ Manager to the Offer	Arihant Capital Markets Limited
13.	NAV	Net Asset Value per Equity Share
14.	NSE	National Stock Exchange of India Limited
15.	NRI(s)	Non Resident Indians and persons of Indian origin residing abroad
16.	Offer	This Open Offer being made by the Acquirer for acquisition upto 35,73,515 Equity Shares to the public shareholders, representing 26% of the fully diluted post preferential voting equity share capital of the Target Company at the Offer Price payable in cash.

17.	Offer Price	Rs. 54/- per Equity Share
18.	Public Announcement or PA	Public Announcement dated February 13, 2015 issued in relation to this Offer and submitted to stock exchanges where the Target Company was listed as well as to SEBI
19.	PAT	Profit after Tax
20.	PBDIT	Profit Before Depreciation, Interest and Tax
21.	PBT	Profit Before Tax
22.	RBI	Reserve Bank of India
23.	Registrar to the Offer	Karvy Computershare Pvt. Ltd
24.	SEBI	Securities and Exchange Board of India
25.	SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended
26.	SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 as amended from time to time.
27.	Share(s)	Fully paid-up Equity Shares of face value of Rs. 10/- each of the Target Company
28.	Shareholders	Shareholders of the Target Company
29.	Target Company/ the Company	Company whose Equity Shares are proposed to be acquired viz. Krebs Biochemicals And Industries Limited
30.	Tendering Period	Period within which shareholders may tender their shares in acceptance of this open offer i.e. from November 9, 2015 to November 24, 2015

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 KREBS BIOCHEMICALS AND INDUSTRIES 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 LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ARIHANT CAPITAL MARKETS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 3, 2015 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER 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 Ipca Laboratories Limited ("Acquirer"), incorporated on October 19, 1949 with the Registrar of Companies, Maharashtra, Mumbai, having its registered office at 48 Kandivli Industrial Estate, Kandivli (West), Mumbai - 400 067; Tel : 022-62106050; Fax : 022-62105439; e-mail:harish.kamath@ipca.com
- 3.1.2 The Acquirer acquired 18,00,000 Equity Shares of the Target Company on February 11, 2015 and also entered into a Memorandum of Understanding (MOU) on February 13, 2015 with the Target Company and its promoters envisaging acquisition of joint control of the management of the Target Company with existing promoters and proposal for allotment of shares on preferential basis.
- 3.1.3 The Board of Directors of the Target Company passed Resolution approving issue of 23,00,000 Equity Shares of Rs. 10/- each for cash at a price of Rs. 54/- per Equity Share to the Acquirer subject to necessary approvals pursuant to Section 62 of the Companies Act, 2013 and in terms of SEBI ICDR Regulations
- 3.1.4 Pursuant to the Resolution passed by the Board of Directors of the Target Company at their meeting held on February 13, 2015 and the MOU as aforesaid, the Acquirer agreed to subscribe to 23,00,000 Equity Shares, to be issued to them on preferential basis subject to compliance of applicable Statutory and Regulatory norms.
- 3.1.5 The execution of the MOU and the Resolution passed by the Board of Directors of the Target Company triggered the Regulations 3 and 4 necessitating Open Offer under SEBI SAST Regulations.
- 3.1.6 This Offer to acquire upto 35,73,515 Equity Shares of Rs.10/- each representing 26% of the fully diluted 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 with the Acquirer acquiring joint control over the Target Company alongwith existing promoters.
- 3.1.7 Pursuant to the approval of the Shareholders of the Target Company in the EGM held on March 11, 2015 and postal ballot for approval of rectification of Explanatory Statement to the Notice of EGM, results of which were declared on June 22, 2015 and in-principle approvals obtained from BSE vide their letters dated May 6, 2015 and September 29, 2015, the Target Company allotted 35,50,000 Equity Shares and 6,80,000 Warrants as under :

Name of the allottee	Number of Instruments		Remarks
	Equity Shares	Warrants	
Ipca Laboratories Limited	23,00,000	-	Acquirer
Mrs. Hemalatha Ravi	6,50,000	6,80,000	Promoter
Pinky Ventures Pvt. Ltd.	6,00,000	-	Strategic Investor
Total	35,50,000	6,80,000	

3.1.7 The Acquirer presently holds 41,00,000 Equity Shares of the Target Company, constituting 31.38% of the present paid-up Share Capital and 29.83% of fully diluted post warrant conversion paid-up Equity Share capital. The said shareholding has been acquired as under :

Date of acquisition	No. of Shares	Mode of acquisition	Acquisition Price
February 11, 2015	18,00,000	Open Market	Rs. 53/- per Share
May 9, 2015	23,00,000	Preferential Allotment	Rs. 54/- per Share
	41,00,000		

3.1.8 The salient features of the MOU referred to in para 3.1.2 are :

- (a) Target Company shall, subject to obtaining necessary approvals, offer 23,00,000 fresh Equity Shares of Rs. 10/- each to the Acquirer for subscription and Acquirer shall, subject to necessary compliances, subscribe to the said offered shares;
- (b) Simultaneously, the Target Company shall also offer 6,50,000 fresh Equity Shares of Rs. 10/- each and 6,80,000 Warrants to Mrs. Hemalatha Ravi, one of the promoters of the Target Company
- (c) Purchase consideration of the offered Equity Shares would be Rs. 54/- per Equity Share including premium of Rs. 44 per share.
- (d) Each warrant to be offered @ Rs. 54/- per Warrant. Each warrant to be converted into 1 Equity Share of Rs. 10/- each at a premium of Rs. 44/- per Equity Share
- (e) Amount of Rs. 54/- per Equity Share to be paid to the Target Company prior to the allotment of Equity Shares
- (f) The Acquirer has sought to acquire joint control over the management of the Target Company alongwith the existing promoters and the promoters have agreed to the same
- (g) The Acquirer to comply with the provisions of SEBI SAST Regulations
- (h) The Acquirer and Promoters of the Target Company agree to make such an arrangement within a period of 1 year from the date of completion of the open offer formalities, to have equal shareholding in the Target Company. The equal shareholding in the Target Company by the Acquirer and the promoters may be attained through market purchase / sale, inter-se transfer or through any other methods as may be agreed between them and as may be permitted by law.
- (i) Following the investment in Equity Share Capital of the Target Company by the Acquirer, composition of the Board of Directors of the Target Company shall be changed as under in compliance with the applicable norms, including SEBI SAST Regulations :
 - Two Directors to be nominated by the existing promoter group of the Target Company. Of these, one Director would be appointed as Managing Director.
 - Two Directors to be nominated by the Acquirer. Of these, one of the Directors would be the Chairman and one Director to be nominee of the Acquirer.
 - Four Independent Directors to be appointed with mutual consultations amongst the existing promoters of the Target Company and the Acquirer.
- (j) Operating Management - The day to day management of the Target Company to be undertaken by the Managing Director under the superintendence and control of the newly constituted Board of the Target Company

- 3.1.9 The Target Company, the Promoters and the Acquirer 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.
- 3.1.10 For the purpose of this Offer, there is no person acting in concert (PAC) with the Acquirer within the meaning of Regulation 2(1)(q) of the SEBI SAST Regulations.
- 3.1.11 The Acquirer may, subsequent to the completion of this Open Offer or in accordance with Regulation 22(2) of the SEBI SAST Regulations, reconstitute the Board of Directors of the Company by appointing their representatives, as they may deem fit. As on date, the Acquirer has not decided on the names of persons who may be appointed on the Board of Directors of the Target Company.
- 3.1.12 The Board of Directors of the Target Company in accordance with Regulation 26(6) of the SEBI SAST Regulations will 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 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 February 24, 2015 :

Newspaper	Language of the Newspapers	Editions
Business Standard	English	All
Business Standard	Hindi	All
Mumbai Lakshwadeep	Marathi	Mumbai
Prajashakti	Telugu	Hyderabad

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

- 3.2.2 The Acquirer is 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 35,73,515 Equity Shares of Rs. 10/- each representing 26% of the fully diluted post warrant conversion voting Equity Share capital of the Target Company, at a price of Rs. 54/-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.
- 3.2.4 The Offer Price is Rs.54/- per Equity Share. There are no partly paid up shares.
- 3.2.5 There is no differential pricing for the shares proposed to be acquired under the open offer.
- 3.2.6 This is not a competing offer.

- 3.2.7 All the shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever.
- 3.2.8 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirer will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 35,73,515 Equity Shares that are tendered in the valid form in terms of the Offer subject to all the terms and conditions mentioned in the DPS and the Letter of Offer ("LOF") to be mailed to the shareholders of the Target Company.
- 3.2.9 There was no competing offer
- 3.2.10 The Acquirer has not purchased any Shares of the Target Company after the date of Public Announcement (PA) except for the 23,00,000 Equity Shares allotted to them on preferential basis as detailed above resulting in their current holding of 41,00,000 Equity Shares.

3.3 Object and Purpose of Acquisition/offer and Future Plans

- 3.3.1 The Acquirer intends to gain joint control over the Target Company alongwith existing promoters 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 Acquirer proposes to continue the existing line of business of the Target Company.
- 3.3.3 The Acquirer does 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 Acquirer undertakes 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.

4 BACKGROUND OF THE ACQUIRER

4.1 Information about the Acquirer

- 4.1.1 The Acquirer was incorporated on October 19, 1949 under the Companies Act, 1913, with the Registrar of Companies, Maharashtra, Mumbai, as The Indian Pharmaceutical Combine Association Limited. The name of the Acquirer was changed to Ipca Laboratories Limited and a fresh Certificate of Incorporation consequent on change of name was issued by the Assistant Registrar of Companies, Maharashtra on August 6, 1964. The name of the Acquirer was again changed to Ipca Laboratories Private Limited on January 3, 1966 and a fresh Certificate of Incorporation consequent on change of name was issued by the Assistant Registrar of Companies, Maharashtra. The status of the Acquirer was later changed to deemed public company by deleting "private" from its name pursuant to Section 43A(1-A) of the Companies Act, 1956 by the Assistant Registrar of Companies, Maharashtra, on August 9, 1988. Vide Certificate of Change of Name issued by the Additional Registrar of Companies, Maharashtra, Mumbai on January 7, 1994, the status of the Acquirer was changed from "deemed public Company" to "full fledged public Company". The Equity Shares of the Acquirer are listed on BSE and NSE

The Registered Office of the Acquirer is situated at 48, Kandivli Industrial Estate, Kandivli (West), Mumbai-400067; Tel:022-62106050; Fax:022-62105439; e-mail: harish.kamath@ipca.com. The Acquirer does not belong to any group.

- 4.1.2 The Acquirer is promoted by Mr. Premchand Godha and Mr. Madhukar R. Chandurkar alongwith their family members and companies controlled by them. The Acquirer is engaged in the manufacturing and marketing of Drug Intermediates, Active Pharmaceutical Ingredients (APIs) and Formulations.

The Equity Share Capital of the Acquirer is as under :

Face Value	Rs. 2/- per Equity Share
Authorised Capital	28,50,00,000 Equity Shares of Rs. 2/- each aggregating Rs. 57,00,00,000/- (Rupees Fifty Seven Crores only)
Issued & Subscribed Capital	12,74,80,204 Equity Shares of Rs. 2/- each aggregating Rs. 25,49,60,408/- (Rupees Twenty Five Crores Forty Nine Lakhs Sixty Thousand Four Hundred Eight only)
Paid-up Capital	12,61,99,109 Equity Shares of Rs. 2/- each aggregating Rs. 25,23,98,218/- (Rupees Twenty Five Crores Twenty Three Lakhs Ninety Eight Thousand Two Hundred Eighteen only)

- 4.1.3 The details of the promoters of the Acquirer and their shareholding are:

S. No.	Name of the Promoter	Number of Shares	% of total capital
1	Mr. Premchand Godha	26,81,340	2.13
2	Mr. Madhukar R. Chandurkar	21,51,000	1.70
3	Kaygee Investments Pvt Ltd	2,70,18,195	21.41
4	Chandurkar Investments Pvt Ltd	69,78,005	5.53
5	Exon Laboratories Pvt Ltd	82,71,000	6.55
6	Paschim Chemicals Pvt Ltd	50,29,000	3.99
7	Paranthapa Investments & Traders Pvt. Ltd.	15,500	0.01
8	Makers Laboratories Limited	1,01,480	0.08
9	Ms. Usha M. Chandurkar	20,00,000	1.59
10	Mr. Sameer M. Chandurkar	10,00,000	0.79
11	Ms. Usha P. Godha	12,09,370	0.96
12	Mr. Prashant Godha	7,31,800	0.58
13	Mr. Pranay Godha	6,06,936	0.48
14	Mr. Nirmal Jain	1,15,000	0.09
15	Ms. Bhawna Godha	2,500	-
16	Mexin Medicaments Pvt. Ltd.	7,029	-
	Total	5,79,18,155	45.89

Mr. Premchand Godha, aged 68 years, residing at Mumbai, is a Chartered Accountant. He has over 3 decades of experience in the Pharma Industry. Mr. Godha is the Chairman & Managing Director of the Acquirer and is also on the Board of various companies.

Mr. Madhukar R. Chandurkar, aged 76 years, residing at Mumbai is a Commerce Graduate and has more than 3 decades of experience in the Pharma Industry.

Brief details of the corporate promoters of the Acquirer

Name of the entity	Promoters	Paid-up Equity/Rs.	Activities
Kaygee Investments Pvt. Ltd.	Mr. Premchand Godha and his family members / associates	18,24,820/-	Investments
Chandurkar Investments Pvt. Ltd.	Mr. M. R. Chandurkar and his family members / associates	36,64,400/-	Investments
Exon Laboratories Pvt. Ltd.	Mr. Premchand Godha and his family members / associates	1,45,00,000/-	Manufacturing/marketing of APIs and Drug Intermediates
Paschim Chemicals Pvt Ltd	Mr. Premchand Godha and his family members / associates	1,08,19,200/-	Manufacturing/marketing of APIs and Drug Intermediates
Paranthapa Investments & Traders Pvt. Ltd.	Mr. Premchand Godha and his family members / associates	5,00,000/-	Investments
Makers Laboratories Limited	Mr. Premchand Godha and his family members / associates	4,91,69,800/-	Manufacturing & marketing of APIs and Formulations
Mexin Medicaments Pvt. Ltd.	Mr. Premchand Godha and his family members / associates	1,08,00,000/-	Manufacturing / marketing of pharmaceuticals

- 4.1.4 The Acquirer presently holds 41,00,000 Equity Shares in the Target Company representing 31.38% of the present paid-up capital and 29.83% on the fully diluted capital post warrant conversion. The applicable provisions of Chapter V of SEBI SAST Regulations have been complied with by the Acquirer on due date.

The Acquirer has entered into Lease-cum-Manufacturing Services Agreements dated October 4, 2014 and December 13, 2014 with the Target Company whereby the Target Company has granted lease to the acquirer over the factories situated at Unit-I, Regadichelika, Talamanchi Panchayat, Racharlapadu Post, Nellore District - 524316 and at Kothapalli Village, Kasimkota Mandal, Visakhapatnam District - 531031, Andhra Pradesh alongwith all manufacturing facilities for use by Acquirer for manufacturing, packaging, storing and dispatch from such factories of Active Pharmaceutical Ingredients and other products of the Acquirer as specified in the respective agreements.

4.1.5 Shareholding pattern of the Acquirer

The paid-up capital of Ipca Laboratories Limited is Rs. 25,23,98,218/- divided into 12,61,99,109 Equity Shares of Rs. 2/- each. The shareholding pattern as on September 30, 2015 is as under ::

Sr. No	Shareholders	No. of Equity Shares	% of shareholding
1	Promoters& associates	5,79,18,155	45.89
2.	FII/Mutual Funds/FIs/Banks	3,85,82,814	30.57
3.	Public		
	- Bodies Corporate	51,07,379	4.05
	- Resident Individuals	1,54,41,127	12.24
	- Clearing Members	1,02,299	0.08
	- Market Maker	4,031	-
	- HUFs	4,11,747	0.33
	- NRIs	5,53,604	0.44
	- Corporate Foreign Portfolio Investor	80,77,953	6.40
	Total	12,61,99,109	100.00

4.1.6 The details of Board of Directors of the Acquirer are :

Name, address& DIN	Date of Appointment	Qualification	Experience
Mr. Premchand Godha 1701/02 Oberoi Sky Heights Lokhandwala Complex Andheri (W) Mumbai - 400 053 DIN : 00012691	31.10.1975	B.Com., ACA	Over 3 decades of experience in the Pharma Industry
Mr. A.K. Jain 1203/1204 Ozone Rustomjee Tower No. 5, B/h Telephone Exchange Mulund Link Road, Goregaon (W), Mumbai - 400 062 DIN : 00012657	21.08.1994	B.Sc., ACA	Over 3 decades of experience in the Pharma Industry
Mr. Pranay Godha 1701/02 Oberoi Sky Heights Lokhandwala Complex Andheri (W) Mumbai - 400 053 DIN : 00016525	11.11.2008	B.Sc, MBA	16 years experience in marketing and General Management
Mr. Prashant Godha 1701/02 Oberoi Sky Heights Lokhandwala Complex Andheri (W) Mumbai - 400 053 DIN : 00012759	28.07.2011	B.Com	16 years experience in marketing and General Management
Mr. Babulal Jain B-601, 6 th floor Water Ford Building Juhu Galli, C.D. Barfiwala Lane Andheri (W), Mumbai - 400 058 DIN: 00016573	07.06.1988	ACA	37 years experience in the field of Audit, Finance, Company law and Taxation

Mr. A.T. Kusre 902 Yashowan, Plot No. 96-97 T.H. Kataria Marg, Mahim Mumbai - 400 016 DIN : 00818477	21.01.2010	M. Tech	Over 3 decades of experience in designing and managing programs aimed at development & commercialisation of technologies
Mr. Dev Parkash Yadava 22/471 Sahil High Complex Opp Lilavati Hospital Bandra Reclamation, Bandra (W) Mumbai - 400 050 DIN : 00778976	13.04.2012	Diploma in Electrical Engineering, Operations Management & Business Management	45 years experience in industrial and business management
Dr. Ramakanta Panda 1001, 10 th floor, Chitra Apartment West Avenue, 12 th Road, Santacruz (W), Mumbai - 400 054 DIN : 01161791	23.03.2013	MCH (AIIMS), MD (USA)	Experience of nearly 3 decades in cardiac surgery
Dr. Manisha Premnath Flat No. 78, 1 st floor, New Scientist Apart, Dr. Homi Bhabha Road, NCL Colony, Pune - 411 008 DIN : 05280048	21.09.2014	Phd	Nearly 15 years of experience in Biotechnology and support scientific and inventive start-ups

None of the above Directors are on the Board of the Target Company. Mr. Dev Parkash Yadava, Director of the Acquirer, alongwith his family members and a company promoted by him holds 40,100 Equity Shares in the Target Company. Save for this, none of the Directors or key managerial personnel of the Acquirer have any interest in the Target Company.

4.1.7 Brief audited financial data of the Acquirer are given hereunder :

Profit & Loss Account

(Rs. in Crores)

Particulars	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Income from operations (net of excise)	3,085.14	3,234.82	2,778.42	2,330.06
Other Income	35.77	21.43	18.66	12.92
Total Income	3,120.91	3,256.25	2,797.08	2,342.98
Total Expenditure	2,560.39	2,501.69	2,220.41	1,869.37
PBDIT	560.52	754.56	576.67	473.61
Depreciation	177.17	100.89	84.00	65.31
Interest	25.62	24.58	31.30	39.36
PBT	357.73	629.09	461.37	368.94
Provision for Tax	101.62	151.72	129.98	88.77
PAT	256.11	477.37	331.39	280.17

Balance Sheet

(Rs. in Crores)

Particulars	31/03/2015	31/03/2014	31/03/2013	31/03/2012
EQUITY AND LIABILITIES				
Shareholders' funds				
a) Share Capital	25.24	25.24	25.24	25.23
b) Reserves & Surplus	2,208.09	1,956.37	1,544.61	1,237.04
Sub-total - Shareholders' funds	2,233.33	1,981.61	1,569.85	1,262.27
Share application pending allotment		-	-	-
Non current Liabilities				
a) Long term borrowings	501.40	292.12	366.21	330.18
b) Deferred tax liabilities (net)	174.23	147.11	130.39	93.09
c) Other long term liabilities	3.21	2.49	0.40	0.59
d) Long term provisions	17.66	14.49	12.21	8.72
Sub-total - Non-current liabilities	696.50	456.21	509.21	432.58
Current Liabilities				
a) Short-term borrowings	320.98	137.96	157.14	201.36
b) Trade payables	302.56	337.05	265.46	230.71
c) Other current liabilities	234.93	249.82	165.18	174.56
d) Short-term provisions	35.44	54.72	41.91	28.57
Sub-total - Current liabilities	893.91	779.55	629.69	635.20
TOTAL - EQUITY & LIABILITIES	3,823.74	3,217.37	2,708.75	2,330.05
ASSETS				
Non-current Assets				
a) Fixed Assets				
- Tangible Assets	1,706.39	1,285.10	1,052.67	908.52
- Intangible Assets	46.57	21.01	22.66	4.30
- Capital work-in-progress	236.29	148.63	120.99	88.45
- Intangible Assets under development	30.66	16.27	8.18	6.06
Sub-total Fixed Assets	2,019.91	1,471.01	1,204.50	1,007.33
b) Non-current investments	81.86	28.75	21.79	42.65
c) Long-term loans and advances	118.87	125.67	88.16	76.36
d) Other non-current assets	10.04	9.30	9.50	7.13
Sub-total - Non-current assets	2,230.68	1,634.73	1,323.95	1,133.47
Current Assets				
a) Current investments	-	0.15	0.15	0.15
b) Inventories	916.98	838.30	733.34	663.98
c) Trade receivables	353.55	448.76	415.93	340.91
d) Cash and Bank Balances	113.19	69.22	54.66	9.25
e) Short term loans and advances	46.84	64.56	49.64	33.66
f) Other Current Assets	162.50	161.65	131.08	148.63
Sub-total - Current assets	1,593.06	1,582.64	1,384.80	1,196.58
TOTAL - ASSETS	3,823.74	3,217.37	2,708.75	2,330.05

Other financial data

	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Dividend (%)	50%	250%	200%	160%
Earnings Per Share (Rs.)	20.29	37.83	26.27	22.23
Return on Networth (%)	11.47%	24.09%	21.11%	22.20
Book Value per Share (Rs.)	176.97	157.02	124.39	100.06

Unaudited financial results of the Acquirer, for the quarter ended June 30, 2015 are as under (based on financials as filed with Stock Exchanges and Limited Review by the Statutory Auditors):

Particulars	(Rs. in Crores)
Income from operations	757.97
Other Income	4.13
Total Income	762.10
Total Expenditure	675.79
PBDIT	86.31
Loss on Foreign Exchange transaction	11.63
Depreciation	42.10
Interest/finance cost	5.45
PBT	27.13
Provision for Tax	8.24
Profit After Tax	18.89
Share Capital	25.24

The details of Contingent Liabilities and commitments not provided for as on March 31, 2015 are as under :

Particulars	(Rs. in Crores)
Contingent Liabilities	
(a) Bills discounted with banks	276.32
Since realised	(97.81)
(b) Other moneys for which the Company (Acquirer) is contingently liable for tax, excise, customs and other matter not accepted by the Company	12.78*
Amount deposited under protest	(0.53)
(c) Claims against the Company not acknowledged as debts	11.45
(d) Corporate Guarantee given to others	6.66
(e) Guarantees given by banks in favour of Government and others / Letter of Credit opened against which goods are not received	47.49
	256.36
Estimated amount of contracts remaining to be executed on capital account and not provided for :	
- Tangible Assets	115.93
- Intangible Assets	34.45
	150.38
Uncalled liability on partly paid shares	3.40
Other Commitments	5.56

* Includes Rs. 4.38 Crores towards interest and penalty demanded by excise department relating to erstwhile Tonira Pharma Limited since amalgamated with the Acquirer Company and is not payable in accordance with the Order passed by the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad. The Department had moved the Hon'ble Gujarat High Court against the said CESTAT Order and as per the Order of the said Hon'ble High Court, the Acquirer Company has furnished a Bank Guarantee of Rs. 2 Crores to the Department.

4.1.8 The Equity Shares of the Acquirer are listed on BSE Limited and National Stock Exchange Limited. As on the date of PA, the closing Market Price of the Equity Shares of the Acquirer was Rs. 680.95 on BSE and Rs. 680.00 on NSE.

4.1.9 Status on Corporate Governance

The Acquirer is compliant with Clause 49 of the Listing Agreement in respect of Corporate Governance and has been regular in filing of the Compliance Report on Corporate Governance with the Stock Exchanges.

4.1.10 Details of the Compliance Officer of the Acquirer

Mr. Harish P. Kamath, Corporate Counsel & Company Secretary
Address : 125, Kandivli Industrial Estate, Kandivli (West), Mumbai - 400 067
Tel : 022-62106050; Fax : 022-62105439; e-mail : harish.kamath@ipca.com

4.1.11 There are no pending litigations against the Acquirer the outcome of which may materially adversely affect the ability of the Acquirer to complete the Open Offer or discharge its obligations under the MOU.

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

5. **BACKGROUND OF THE TARGET COMPANY**

5.1 Share Capital Structure of the Target Company (as on the date of this Letter of Offer)

Paid-up Equity Shares	No. of Shares/voting rights	% of shares/voting rights
Fully paid-up Equity Shares	1,30,64,286	100%
Partly paid-up Equity Shares	-	-
Total paid-up Equity Shares	1,30,64,286	100%
Total voting rights	1,30,64,286	100%

5.2 Save for the 6,50,000 Equity Shares allotted to Mrs Hemalata Ravi on preferential basis on October 3, 2015, for which listing application is being made, all the shares of the Target Company are listed and permitted for trading on BSE. On NSE, 60,00,000 Equity Shares are listed and permitted for trading.

5.3 The shares of the Target Company are suspended for trading by NSE since November 2001 for alleged violation of share transfer provisions of the Listing Agreement. This became a subject matter of litigation in Court of Law which, in January 2007, has been decided in favour of the original shareholder Dr. R.T. Ravi who continues to be the legitimate shareholder of the disputed shares as the sale transactions are held to be null and void by the Court and the Court directed the defendants to return the shares held with them to the original shareholder. The Target Company has accordingly communicated to NSE and has been representing them for revocation of the suspension and NSE's decision in this regard is still awaited

- 5.4 There are no partly paid up equity shares of the Target Company. The Board of Directors of the Target Company in accordance with the Shareholders' approval and approval received from BSE, have on October 3, 2015, allotted 6,80,000 Warrants on preferential basis to Ms. Hemalatha Ravi, one of the Promoters. Each Warrant is convertible into 1 Equity Share of Rs. 10/- each at a price of Rs. 54/- per Equity Share including premium of Rs. 44/- per Equity Share. The warrants would be convertible into Equity Shares within a period of 18 months from the date of its allotment and subject to receipt by the Company of full amount at the rate of Rs. 54/- per Equity Share.

Save for this, there are no outstanding warrants or similar instruments issued by the Target Company.

- 5.5 Composition of the Board of Directors :

Name	DIN	Designation
Dr. R.T. Ravi	00272977	Non-Executive Director& Chairman
Ms. Tangirala Malati	07094957	Independent Director
Mr. G.V.L. Prasad	00017081	Independent Director
Mr. Avinash Ravi	01616152	Managing Director
Mr. Satish Khivsara	07244464	Independent Director

None of the Directors of the Target Company represent the Acquirer

- 5.6 The Target Company was incorporated on December 2, 1991 as Krebs Biochemicals Limited under the Companies Act, 1956, with the Registrar of Companies, Andhra Pradesh. The name of the Target Company was changed to Krebs Biochemicals And Industries Limited and a fresh Certificate of Incorporation was obtained on November 21, 2003. The registered office of the Target Company is 8-2-577/B, 3rd floor, Maas Heights, Road No. 8, Banjara Hills, Hyderabad - 500 034.

The Target Company is a biochemical Company that establishes commercially viable biotech processes for application in medicine, agriculture and industry. The Target Company is engaged in the manufacturing & marketing of a number of pain killers, anti-asthmatic and anti-cholesterol drugs.

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

The Board of Directors of the Target Company, in their meeting held on February 13, 2015, approved issue of Equity Shares and Warrants on preferential basis, subject to such approvals as may be required and also subject to the provisions of SEBI ICDR Regulations, as under :

Name of the Proposed allottee	Number of Instruments		Remarks
	Equity Shares	Warrants	
Ipca Laboratories Limited	23,00,000	-	Acquirer
Mrs. Hemalatha Ravi	6,50,000	6,80,000	Promoter
Pinky Ventures Pvt. Ltd.	6,00,000	-	Strategic Investor
Total	35,50,000	6,80,000	

The Target Company allotted the aforesaid Equity Shares / Warrants as under :

Date of allotment	No. of Securities	Allottee	Remarks
May 9, 2015	23,00,000 Equity Shares	Ipca Laboratories Limited (Acquirer)	Issue approved by the Shareholders in the EGM held on March 11, 2015 and in-principle approval received from BSE on May 6, 2015
May 9, 2015	6,00,000 Equity Shares	Pinky Ventures Pvt Ltd	Issue approved by the Shareholders in the EGM held on March 11, 2015 and in-principle approval received from BSE on May 6, 2015
October 3, 2015	6,50,000 Equity Shares and 6,80,000 Warrants	Hemlatha Ravi	Issue originally approved by the Shareholders in the EGM held on March 11, 2015. Fresh approval sought for rectification of Explanatory Statement to the Notice of EGM through Postal Ballot, results of which were declared on June 22, 2015 and in-principle approval received from BSE on September 29, 2015

The capital of the Target Company upon conversion of warrants into Equity Shares would be as under :

	Equity Shares (Nos)	Nominal Value (Rs.)
Pre-preferential Capital	95,14,286	9,51,42,860
Preferential allotment		
- Equity Shares	35,50,000	3,55,00,000
- Equity Shares to be issued upon conversion of Warrants	6,80,000	68,00,000
Fully diluted Equity	1,37,44,286	13,74,42,860

5.7 Financial Highlights of the Target Company

The brief audited financial details of the Target Company are as under :

Profit & Loss Account

(Rs. in lakhs)

Particulars	01/10/2014 to 31/03/2015	01/07/2013 to 30/09/2014 #	01/04/2012 to 30/06/2013 *	01/04/2011 to 31/03/2012
Income from operations	-	-	1,144.90	7,076.00
Other Income	1.12	2.13	614.17	275.33
Total Income	1.12	2.13	1,759.07	7,351.33
Total Expenditure	490.25	403.88	2,462.79	7,453.97
PBDIT	(489.13)	(401.75)	(703.72)	(102.64)
Depreciation	187.13	-	827.64	965.71
Interest	402.85	8.41	62.93	865.62
(Loss) / Profit Before Tax	(1,079.11)	(410.16)	(1,594.30)	(1,933.97)
Provision for Tax (Net)	-	24.44	(74.02)	(190.16)
Exceptional items	295.10	-	-	-
(Loss) / Profit After Tax	(784.01)	(434.60)	(1,520.28)	(1,743.81)

* The Target Company extended its accounting year upto June 2013.

The Target Company extended its accounting year upto September 2014

Balance Sheet

(Rs. in lakhs)

Particulars	31/03/2015	30/09/2014#	30/06/2013*	31/03/2012
EQUITY AND LIABILITIES				
1. Shareholders' funds				
a) Share Capital	951.43	951.43	951.43	951.43
b) Reserves & Surplus	(1,407.92)	(591.24)	(156.63)	1,363.66
c) Money received against Share Warrants	367.20	-	-	-
Sub-total - Shareholders' funds	(89.29)	360.19	794.80	2,315.09
2. Share Application money	1,917.00	-	-	-
3. Non current Liabilities				
a) Long term borrowings	5,708.71	2,301.93	5,704.58	6,475.64
b) Deferred tax liabilities (net)				-
c) Other long term liabilities				-
d) Long term provisions	206.30	201.59	199.52	174.21
Sub-total - Non-current liabilities	5,915.01	2,503.52	5,904.10	6,649.85
4. Current Liabilities				
a) Short-term borrowings	-	347.94	1,872.99	1,517.01
b) Trade payables	1,654.27	1,979.17	1,974.87	2,733.80
c) Other current liabilities	1,261.43	8,397.37	3,192.06	1,626.15
d) Short-term provisions	185.50	189.89	23.57	16.34
Sub-total - Current liabilities	3,101.20	10,914.37	7,063.49	5,893.30
TOTAL - EQUITY & LIABILITIES	10,843.92	13,778.08	13,762.39	14,858.24

ASSETS				
1. Non-current Assets				
a) Fixed Assets				
- Tangible	5,097.94	5,058.48	5,063.20	5,847.36
- Intangible	746.29	712.61	712.61	695.54
b) Deferred Tax Assets (net)	131.30	131.30	171.29	97.27
c) Long-term loans and advances	1,211.82	1,835.05	1,813.13	1,775.74
d) Other non-current assets	2,169.80	2,159.65	2,159.65	2,140.73
Sub-total - Non-current assets	9,357.15	9,897.09	9,919.88	10,556.64
2. Current Assets				
a) Inventories	545.30	3,082.44	3,082.44	3,048.57
b) Trade receivables	37.28	61.92	91.77	773.53
c) Cash and cash equivalents	630.94	35.61	32.85	43.16
d) Short term loans and advances	273.25	701.02	633.69	433.08
e) Other Current Assets	-	-	1.76	3.26
Sub-total - Current assets	1,486.77	3,880.99	3,842.51	4,301.60
TOTAL - ASSETS	10,843.92	13,778.08	13,762.39	14,858.24

* The Target Company extended its accounting year upto June 2013.

The Target Company extended its accounting year upto September 2014

Other Financial Data

Particulars	31/03/2015	30/09/2013#	30/06/2013*	31/03/2012
Dividend (%)	-	-	-	-
EPS (Rs.)	-	-	-	-
Return on Networth (%)	-	-	-	-
Book Value per Share or Rs. 10/- (Rs.)	-	3.79	8.35	24.33

* The Target Company extended its accounting year upto June 2013.

The Target Company extended its accounting year upto September 2014

Unaudited financial results of the Target Company, for the Quarter ended June 30, 2015 are as under (based on financials as filed with BSE and Limited Review by the Statutory Auditors):

Particulars	(Rs. in lakhs)
Income from operations	15.85
Other Income	0.75
Total Income	16.60
Total Expenditure	327.17
PBDIT	(310.57)
Depreciation	95.54
Interest/finance cost	0.19
PBT	(406.30)
Provision for Tax	-
(Loss) / Profit After Tax	(406.30)
Share Capital	1,241.43

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
	Nos	%	Nos	%#	Nos	% #	Nos	% #	
	(A)		(B)		(C)		(A)+(B)+(C)-(D)		
(1) Promoter Group									
Mr. Avinash Ravi	15,48,304	16.27	-	-	-	-	15,48,304	11.27	
Mr. Aditya Ravi	8,820	0.10	-	-	-	-	8,820	0.06	
Ms. Hemalatha Ravi	8,94,400	9.40	-	-	-	-	22,24,400	16.18	Refer Note 1
Mr. Ajay Ravi	92,800	0.97	-	-	-	-	92,800	0.68	
Mr. Sunkara H Rao	1,10,400	1.16	-	-	-	-	1,10,400	0.80	
Ms. Sunkara L Parvathi	79,416	0.83	-	-	-	-	79,416	0.58	
Mr. Sambasiva Rao Ravi	25,000	0.26	-	-	-	-	25,000	0.18	
Dr. R. T. Ravi	22,900	0.24	-	-	-	-	22,900	0.17	
Mr. Mohd Wahidullah	10,000	0.11	-	-	-	-	10,000	0.07	
Mr. Jawaharlal Jasathi	3,500	0.04	-	-	-	-	3,500	0.03	
Ms. Talasila Vijayalakshmi	2,600	0.03	-	-	-	-	2,600	0.02	
Total (1)	27,98,140	29.41	-	-	-	-	41,28,140	30.04	
(2) Acquirer									
Ipca Laboratories Limited	18,00,000	18.92	23,00,000	16.73	35,73,515	26.00	76,73,515	55.83*	
Total (2)	18,00,000	18.92	23,00,000	16.73	35,73,515	26.00	76,73,515	55.83	
(3) Parties to agreement other than 1 & 2									
Total (3)	-	-	-	-	-	-	-	-	
(4) Public									
a) FIs/MFs/FII/Banks	1,29,288	1.36	-	-	-	-	-	-	
b) Others	47,86,858	50.31	-	-	-	-	-	-	
Total (4)	49,16,146	51.67	-	-	(35,73,515)	26.00	19,42,631	14.13	Refer Note 2
Total (1+2+3+4)	95,14,286	100.00	23,00,000	16.73	-	-	1,37,44,286	100.00	

on fully diluted post-preferential allotment and warrant conversion * Shareholding of the Acquirer shall be categorised under the head "Promoters and Promoter Group"

Notes

1. Post Offer shareholding of Mrs. Hemalatha Ravi indicated under Column (D) above includes 6,50,000 Equity Shares allotted to her on preferential basis and 6,80,000 Equity Shares that would arise upon conversion of the Warrants allotted to her on preferential basis
2. Public holding indicated under Column (D) above includes 6,00,000 Equity Shares allotted to M/s Pinky Ventures Pvt. Ltd. on preferential basis
3. The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the shareholders to this Open Offer.
4. As on October 26, 2015 (being the Identified Date), there were 6,017 shareholders in the Target Company.

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 fully diluted post-preferential voting Equity Share Capital, which is the minimum level required as per the Listing Agreement. Accordingly, the Acquirer undertakes 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 Listing Agreement and Securities Contracts (Regulation) Rules, 1957 within the time stipulated therein.

5.10 Compliance status of the Target Company and the Promoters under the provisions of Chapter II of the SEBI SAST Regulations, 1997 and under Chapter V of the SEBI SAST Regulations, 2011 are as under :

SEBI SAST REGULATIONS, 1997

Sl. No.	Regulation/ Sub-regulation	Due Date for compliance as mentioned in the Regulation	Actual date of compliance	Delay, if any (in No. of days) Col. 4 (-) Col. 3	Remarks
1	8(1)	21.04.2004	14.04.2004	-	Continual Disclosures
2	8(2)	21.04.2004	14.04.2004	-	
3	8(1)	21.04.2005	15.04.2005	-	
4	8(2)	21.04.2005	15.04.2005	-	
5	8(1)	21.04.2006	13.04.2006	-	
6	8(2)	21.04.2006	13.04.2006	-	
7	8(1)	21.04.2007	17.04.2007	-	
8	8(2)	21.04.2007	17.04.2007	-	
9	8(1)	21.04.2008	15.04.2008	-	
10	8(2)	21.04.2008	15.04.2008	-	
11	8(1)	21.04.2009	15.04.2009	-	
12	8(2)	21.04.2009	15.04.2009	-	
13	8(1)	21.04.2010	20.04.2010	-	
14	8(2)	21.04.2010	20.04.2010	-	
15	8(1)	21.04.2011	18.04.2011	-	
16	8(2)	21.04.2011	18.04.2011	-	
17	8A(1)	06.02.2009	04.02.2009	-	Pledge of Shares by the Promoters
18	8A(2)	19.05.2009	03.10.2009	137	
19	8A(2)	29.05.2009	03.10.2009	127	
20	8A(2)	07.07.2009	03.10.2009	86	
21	8A(2)	17.08.2009	03.10.2009	47	
22	7 (1A)	02.09.2005	15.07.2014	3,238	Note 1
23	7 (1A)	02.09.2005	15.07.2014	3,238	Note 2
24	7(1) & (1A)	02.09.2005	15.07.2014	3,238	Note 3
25	7(1) & (1A)	21.09.2008	15.07.2014	2,123	Note 4 & 6
26	7(1) & (1A)	21.09.2008	15.07.2014	2,123	Note 5 & 6
27	7(1A)	27.03.2009	15.07.2014	1,936	Note 7
28	7(1) & (1A)	27.03.2009	15.07.2014	1,936	Note 8
29	7(1A)	28.03.2009	15.07.2014	1,935	Note 9
30	7(1) & (1A)	28.03.2009	15.07.2014	1,935	Note 10
31	7(1A)	10.04.2009	15.07.2014	1,922	Note 11
32	7(1) & (1A)	10.04.2009	15.07.2014	1,922	Note 12
33	7(1A)	08.08.2009	15.07.2014	1,802	Note 13
34	7(1) & (1A)	08.08.2009	15.07.2014	1,802	Note 14
35	7(1) & (1A)	18.08.2011	16.08.2011	-	Note 15

SEBI SAST REGULATIONS, 2011

Sl. No.	Regulation/ Sub-regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days) Col. 4 (-) Col. 3	Remarks
1	29(1)	N.A.	N.A.	-	
2	29(2)	18.08/2011	16.08.2011	-	
3	30(1)	N.A.	N.A.	-	
4	30(2)	10.04.2012	07.04.2012	-	Continual Disclosures
5	30(2)	09.04.2013	15.04.2013	6 days	
6	30(2)	09.04.2014	12.07.2014	94 days	Pledge of Shares by the Promoters
7	31(1)	18.03.2014	15.07.2014	119 days	
8	31(1)	08.04.2014	15.07.2014	98 days	
9	31(1)	11.06.2014	15.07.2014	34 days	
10	31(1)	27.03.2014	15.07.2014	110 days	
11	31(1)	27.03.2014	15.07.2014	110 days	
12	31(1)	27.03.2014	15.07.2014	110 days	
13	31(1)	08.04.2014	15.07.2014	98 days	
14	31(1)	09.04.2014	15.07.2014	97 days	

Notes

- Inter-se transfer / sale of 1,90,000 Equity Shares representing 3.17% of the then paid-up capital of the Target Company by Mr. Avinash Ravi to Ms. Hemalata Ravi on 31-08-2005.
- Inter-se transfer / sale of 1,51,000 Equity Shares representing 2.52% of the then paid-up capital of the Target Company by M/s Jubilee Holding & Finance Limited to Ms. Hemalata Ravi on 31-08-2005.
- Acquisition of 3,41,000 Equity Shares representing 5.68% of the then paid-up capital of the Target Company by Ms. Hemalata Ravi through inter-se transfer from Mr. Avinash Ravi and M/s Jubilee Holding & Finance Limited on 31-08-2005
- Consequent to conversion of warrants, holding by Mr. Aditya Ravi increased by 12,20,000 Equity Shares representing 13.48% of the then paid-up capital of the Target Company
- Consequent to conversion of warrants , holding by Mr. Ajay Ravi increased by 4,12,500 Equity Shares representing 4.56% of the then paid-up capital of the Target Company
- The conversion of warrants by allotment of Equity Shares to Mr. Aditya Ravi and Mr. Ajay Ravi, who are part of the promoter group, has been done on September 19, 2008 which has resulted in non-compliance of Regulation 11(1) of SEBI SAST Regulations, 1997. The Company has submitted letters dated September 13, 2011 and August 23, 2011 to SEBI and Stock Exchange, respectively, explaining the matter. The listing of these Equity Shares was permitted by BSE on November 1, 2011.
- Inter-se transfer / sale of 2,00,000 Equity Shares representing 2.21% of the then paid-up capital of the Target Company by Mr. R.T. Ravi HUF to Dr. R.T. Ravi on 25-03-2009.
- Acquisition of 2,00,000 Equity Shares representing 2.21% of the then paid-up capital of the Target Company by Dr. R.T. Ravi through inter-se transfer from R.T. Ravi (HUF) on 25-03-2009.
- Inter-se transfer / sale of 2,00,000 Equity Shares representing 2.21% of the then paid-up capital of the Target Company by R.T. Ravi HUF to Dr. R.T. Ravi on 26-03-2009.
- Acquisition of 1,50,000 Equity Shares representing 1.66% of the then paid-up capital of the Target Company by Dr. R.T. Ravi through inter-se transfer from R.T. Ravi (HUF) on 26-03-2009
- Inter-se transfer / sale of 4,00,000 Equity Shares representing 4.42% of the then paid-up capital of the Target Company by Dr. R. T. Ravi. To Mr. Avinash Ravi on 08-04-2009.
- Acquisition of 4,00,000 Equity Shares representing 4.42% of the then paid-up capital of the Target Company by Mr. Avinash Ravi through inter-se transfer from Dr. R. T. Ravi on 08-04-2009.
- Inter-se transfer / sale of 8,65,000 Equity Shares representing 9.56% of the then paid-up capital of the Target Company by Dr. R. T. Ravi. To Mr. Avinash Ravi on 06-08-2009.
- Acquisition of 7,45,000 Equity Shares representing 8.23% of the then paid-up capital of the Target Company by Mr. Avinash Ravi through inter-se transfer from Dr. R. T. Ravi on 06-08-2009.
- Preferential allotment of 4,64,286 Equity Shares (4.88% of the enhanced capital) to Mr. Avinash Ravi on August 16, 2011.

PLEDGE

Serial	Name	Shares pledged	Date of pledge	Due Date for reporting
P1	Ajay Ravi	50,000	03-06.2008	21.04.2009
	Hemalata Ravi	2,00,000	10-05-2008	21.04.2009
	Dr. R.T. Ravi	1,20,000	01-03-2006	21.04.2009
	Dr. R.T. Ravi	7,45,000	04-04-2007	21.04.2009
	Dr. R.T. Ravi HUF	2,00,000	01-11-2003	21.04.2009
		13,15,000		
P2	Hemalata Ravi	2,00,000	10-05-2009	19.05.2009
P3	Avinash Ravi	4,85,000	20-05-2009	29.05.2009
	Ajay Ravi	85,000	20-05-2009	29.05.2009
	Hemalata Ravi	4,85,000	20-05-2009	29.05.2009
		10,55,000		
P4	Hemalata Ravi	2,00,000	30-06-2009	09.07.2009
P5	Avinash Ravi	7,45,000	06-08-2009	17.08.2009

As disclosed above, there are few instances of delayed compliances of the applicable provisions of Chapter II of SEBI SAST Regulations, 1997 and Chapter V of SEBI SAST Regulations, 2011 by the promoters of the target Company. SEBI may initiate appropriate action against the target Company and the promoters of the target Company for the non-compliance / delayed compliances under the provisions of Chapter II / Chapter V of SEBI SAST Regulations, 1997 / 2011

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer price

6.1.1 This Open Offer is pursuant to Direct Acquisition.

6.1.2 The shares of the Target Company are listed on BSE and NSE.

6.1.3 Save for the 6,50,000 Equity Shares allotted to Mrs Hemalata Ravi on preferential basis on October 3, 2015, all the Equity Shares of Krebs Biochemicals And Industries Limited are listed at BSE and 60,00,000 Equity Shares are listed on NSE. The Shares of the Target Company are traded on BSE but is suspended for trading by NSE since 2001. The Company has entered into agreement for dematerialization of shares with CDSL and NSDL. The ISIN Number allotted to the company is INE268B01013. 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 February 2014 to January 2015 is given below :

Name of stock Exchange	Total no. of share 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	11,10,564	95,14,286	11.67%

Based on the parameters set out in the Regulation 2(1)(j) of SEBI SAST Regulations, the Equity Shares of the Target Company are deemed to be frequently traded.

6.1.4 The offer price of Rs. 54/- per equity Share of the Target Company is justified taking into account the following parameters as set out under Regulations 8(1) & 8(2) of the SEBI SAST Regulations:

PARTICULARS	Price (Rs.)
1. Negotiated price (preferential allotment price proposed)	54.00
2. Volume weighted average price paid/payable for acquisitions during the 52 weeks preceding the date of public announcement	53.00*
3. Highest price paid/payable for acquisition during the 26 weeks preceding the date of public announcement	53.00*
4. Volume weighted average market price of shares for a period of 60 trading days immediately preceding the date of public announcement (See Note)	47.26
5. Highest of the above	54.00
6. Offer Price	54.00

* Being the purchase price of 18,00,000 Equity Shares bought by the Acquirer on February 11, 2015

Note

Volume weighted average market price for Shares for sixty trading days immediately preceding the date of Public Announcement (Source - BSE website)

	Date	Weighted Average Price	No. of Shares	Volume Weighted Average
1	12-Feb-15	61.40	70,639	4,337,235
2	11-Feb-15	61.44	74,593	4,582,994
3	10-Feb-15	56.97	110,161	6,275,872
4	09-Feb-15	46.32	88,276	4,088,944
5	06-Feb-15	38.76	3,696	143,257
6	05-Feb-15	38.06	3,555	135,303
7	04-Feb-15	37.71	2,531	95,444
8	03-Feb-15	38.71	759	29,378
9	02-Feb-15	38.07	1,830	69,665
10	30-Jan-15	38.26	8,415	321,927
11	29-Jan-15	37.20	4,650	172,989
12	28-Jan-15	36.70	5,381	197,487
13	27-Jan-15	37.20	8,728	324,703
14	23-Jan-15	37.27	6,696	249,549
15	22-Jan-15	37.43	2,185	81,795
16	21-Jan-15	38.82	8,309	322,586
17	20-Jan-15	39.20	10,561	414,044
18	19-Jan-15	39.66	10,216	405,142
19	16-Jan-15	39.43	7,471	294,546
20	15-Jan-15	41.74	10,867	453,556
21	14-Jan-15	39.40	7,922	312,108
22	13-Jan-15	41.04	49,292	2,022,764
23	12-Jan-15	42.07	38,899	1,636,306
24	09-Jan-15	34.57	2,880	99,567
25	08-Jan-15	34.79	3,170	110,298
26	07-Jan-15	33.48	1,601	53,595
27	06-Jan-15	33.85	4,951	167,585
28	05-Jan-15	33.85	1,311	44,378
29	02-Jan-15	33.69	3,305	111,330

30	01-Jan-15	32.47	2,069	67,182
31	31-Dec-14	32.94	3,708	122,129
32	30-Dec-14	33.12	4,695	155,479
33	29-Dec-14	32.88	6,102	200,658
34	26-Dec-14	32.52	4,681	152,234
35	24-Dec-14	33.11	4,065	134,584
36	23-Dec-14	34.34	27,384	940,327
37	22-Dec-14	36.34	3,220	117,014
38	19-Dec-14	36.00	2,270	81,714
39	18-Dec-14	36.10	5,126	185,045
40	17-Dec-14	34.77	200	6,954
41	16-Dec-14	35.22	550	19,370
42	15-Dec-14	37.28	625	23,300
43	12-Dec-14	37.95	4,325	164,117
44	11-Dec-14	39.21	1,525	59,797
45	10-Dec-14	39.86	1,685	67,156
46	09-Dec-14	39.65	3,611	143,188
47	08-Dec-14	39.07	3,145	122,862
48	05-Dec-14	39.94	2,051	81,911
49	04-Dec-14	39.29	410	16,107
50	03-Dec-14	40.78	2,802	114,261
51	02-Dec-14	40.06	5,850	234,333
52	01-Dec-14	38.29	9,801	375,327
53	28-Nov-14	41.41	17,246	714,110
54	27-Nov-14	40.90	4,335	177,288
55	26-Nov-14	41.04	1,174	48,179
56	25-Nov-14	38.99	1,853	72,248
57	24-Nov-14	41.38	4,758	196,895
58	21-Nov-14	43.67	14,138	617,477
59	20-Nov-14	39.40	2,916	114,876
60	19-Nov-14	36.53	3,550	129,680
		2,331.55	702,720	33,210,149

Method I

Total of Weighted Average Price (WAP)	:	Rs. 2,331.55 (A)
Number of trading days	:	60 (B)
Average Weighted Average Price (A) / (B)	:	Rs. 38.86

Method II

Total Volume Weighted Amount	:	Rs. 3,32,10,149	(A)
Total Volume (Shares)	:	7,02,720	(B)
Weighted Average Price (A) / (B)	:	Rs. 47.26	

Higher of the above - Rs. 47.26

- 6.1.5 The Manager to the Offer, Arihant Capital Markets Limited does not hold any Equity Shares in the Target Company on their own account as at the date of LOF. 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

6.2 Financial arrangements:

- 6.2.1 Assuming full acceptance, the total fund requirements to meet this Offer is Rs. 19,29,69,810/- (Rupees Nineteen Crore Twenty Nine Lakhs Sixty Nine Thousand Eight Hundred Ten only).
- 6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirer has deposited Rs. 19,29,69,810/- (Rupees Nineteen Crores Twenty Nine Lacs Sixty Nine Thousand Eight Hundred and Ten only) by way of cash, being 100% of the entire amount of the consideration (assuming full acceptance by the shareholders) in an Escrow Account with Yes Bank Limited, Andheri (East) branch, Mumbai, with exclusive authority to operate the account in favour of Arihant Capital Markets Ltd., the Manager to the Offer. The Acquirer has 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.
- 6.2.3 The Acquirer has adequate resources to meet the financial requirements of the Offer. The fund requirements will be met from existing sources/Net Worth. No separate borrowings from Indian Banks / Financial Institutions or sources such as NRIs are envisaged by the Acquirer. The Acquirer hereby declares and confirms that they have adequate and firm financial resources to fulfill the total financial obligation under the Offer.
- 6.2.4 Mr. N. Jayendran (Membership No: 40441), Partner of M/s Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No. 106971W), having their office at Oricon House, 4th floor, 12 K. Dubash Marg, Mumbai - 400 023; Tel No. 022-67527100; Fax : 022-67527101; email: nvc@nvc.in has certified vide their certificates dated February 16, 2015 and October 26, 2015 that the net worth of Ipca Laboratories Limited as on September 30, 2014 and as on March 31, 2015 is Rs. 2,181.48 Crores and 2,233.33 Crores, respectively, and that they have sufficient liquid resources to fulfil the obligations under this Open Offer.
- 6.2.5 Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements for funds for payment through verifiable means have been put in place by the Acquirer to fulfill their obligations 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, deemed PACs, the Promoters and persons who are or may hold shares which have been locked in pursuant to provisions of SEBI ICDR Regulations) 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 on October 26, 2015 ("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 alongwith 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 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.6 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 The Equity Shares that are subjected to lock-in pursuant to the preferential allotment would not be eligible to be considered under this Open Offer.

7.3 Persons eligible to participate in the Offer

Except the Acquirer, deemed PACs, the Promoters of the Target Company and persons who are or may hold shares which have been locked in pursuant to provisions of SEBI ICDR Regulations, 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

- 7.4.1 Non-resident equity shareholder(s) who wish to tender their equity shares of the Target Company in this Offer will be required to submit all the previous RBI approvals (specific or general) that they would have obtained for acquiring the equity shares of the Target Company. In case previous RBI approvals are not submitted, the Acquirer reserves the right to reject the equity shares tendered in the Offer.
- 7.4.2 As on the date of Public Announcement, to the best of knowledge and belief of the Acquirer, no approvals from Bank/ Financial Institutions are required for the purpose of the Offer.
- 7.4.3 As on the date of this Letter of Offer, no other statutory approval is required to be obtained for the purpose of the Open Offer. If any other statutory approvals become applicable, the offer would be subject to the receipt of such other statutory approvals in terms of Regulation 23(1) of the SEBI SAST Regulations. The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.
- 7.4.4 In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI SAST Regulations will be adhered to, i.e. SEBI has power to grant extension of the time to the Acquirer or payment of consideration to the shareholder(s) subject to Acquirer agreeing to pay interest as may be directed by SEBI.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

It may be noted that since the PA in respect of this Open Offer was made on February 13, 2015 it is not obligatory for the Acquirer to comply with the provisions of SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 with regard to Mechanism for acquisition of shares through Stock Exchange pursuant to Tender Offers under Takeovers, Buyback and Delisting

- 8.1 Shareholders who are holding fully paid equity shares in physical form and wish to tender their equity shares will be required to send their Form of Acceptance-cum-Acknowledgement, original Share Certificate(s) and blank transfer deed(s) duly signed to **Karvy Computershare Private Limited** the Registrar to the Offer by Registered Post at the applicants sole risk such that the same are received on or before the Offer closing date, at the address given below, in accordance with the procedures as specified in this Letter of Offer and the Form of Acceptance cum Acknowledgement. **The relevant documents should NOT be sent to the Acquirer, the Target Company or the Managers to the Offer.**

All eligible owners of fully paid equity shares of the Target Company registered or unregistered including those holding shares in street names who wish to avail and accept the Offer can deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents to the Registrar as per the following details

Name & Address	Contact Person & Contact Numbers	Workings Days and timings	Mode of delivery
Karvy Computershare Private Ltd Karvy Selenium Tower B, Plot 31-32 Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032	Mr. M Muralikrishna Tel: +91 40 67162222 Email: murali.m@karvy.com	Weekdays between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm. The centre will be closed on Saturday, Sunday and on public holidays	Registered Post/ Hand Delivery/ Speed Post

- 8.2 The Registrar to the Offer, Karvy Computershare Private Limited has opened a special depository account with National Securities Depository Limited ("NSDL") for receiving equity shares under the Open Offer from eligible shareholders who hold equity shares in demat form.
- 8.3 Shareholders holding equity shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the Letter of Offer to the Registrar to the Offer either by Registered Post/Courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer along with a photocopy of the delivery instructions in "Off market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of "**KCPL-KREBS OPEN OFFER ESCROW ACCOUNT**" filled in as per the instructions given below:

Account Name	KCPL-KREBS OPEN OFFER ESCROW ACCOUNT
DP Name:	Karvy Stock Broking Limited
DP ID:	IN300394
Client ID:	19040391
Depository:	National Securities Depository Limited

Note: Shareholders who wish to transfer their shares to the above mentioned escrow account from a demat account maintained with CDSL, should use "inter depository" delivery instruction slip.

- 8.4 The shares and other relevant documents should not be sent to the Acquirer/ Target Company/ Manager to the Offer. The Acquirer and Manager to the Offer are not responsible for such shares sent to them and the same are liable to be returned to the sender at their own risk.

Procedure for acceptance of the Offer by unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

- 8.5 In case of (a) shareholders who have not received the LOF, (b) unregistered shareholders, (c) owners of the shares holding in street names, (d) owner of the shares who have sent the shares to the Target Company for transfer; may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with the Target Company), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer. Such shareholders can also obtain the LOF from the Registrar to the Offer by giving an application in writing to that effect. Shares once tendered cannot be withdrawn.
- 8.6 In case of shareholders who have not received the LOF and holding equity shares in the dematerialized form may send their consent to the Registrar to the Offer on plain paper, stating the name, address, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of equity shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in Para 8.3 above, so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer. Such equity shareholders can also obtain the LOF from the Registrar to the Offer by giving an application in writing.
- 8.7 Alternatively, such shareholders, if they so desire, may apply on the Form of Acceptance cum Acknowledgement obtained from SEBI's website (www.sebi.gov.in).
- 8.8 Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Depository Escrow Account should be received on or before the date of closing of the business hours on the date of closure of the Offer, else the application would be rejected.
- 8.9 No indemnity is needed from unregistered shareholders.
- 8.10 Where the number of equity shares offered for sale by the shareholders are more than the equity shares agreed to be acquired by the Acquirer, the Acquirer will accept the offers received from the share holders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot.

- 8.11 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 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
- 8.12 The consideration to the shareholders whose shares have been accepted will be paid by crossed account payee cheques/ demand drafts/Electronic Clearance Service (ECS)/RTGS/NEFT where applicable within ten working days from the offer closing date. Such payments through account payee cheques/demand drafts will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner.
- 8.13 Unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity shares held in dematerialized form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective DPs when transferred by the Registrar to the Offer.
- 8.14 The Registrars to the Offer will hold in trust the equity shares and share certificate(s), equity shares lying in credit of the Special Depository Account, Form of Acceptance, on behalf of the shareholders of Target Company who have accepted the Offer, until the cheques/ drafts for the consideration and/ or the unaccepted equity shares/ share certificates are dispatched/ returned.

9. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents are regarded as material documents and are available for inspection at 1011, Solitaire Corporate Park, Building No. 10, 1st floor, Chakala, Andheri (E), Mumbai - 400 093, the Corporate Office of Arihant Capital Markets Limited, the Manager to the Offer. The documents can be inspected during normal business hours (11.00 A.M. to 3.00 P.M.) on all working days (except Saturdays and Sundays and Public/Bank Holidays) from the date of opening of the Offer up till the date of closure of the Offer.

- a) Copy of Memorandum of Understanding dated February 13, 2015 entered into between the Acquirer, the Target Company and the promoters of the Target Company envisaging joint control of the management of the Target Company and subscription to Equity Shares in the Target Company
- b) Copy of Resolution passed by the Board of Directors of the Target Company on February 13, 2015 approving issue of Equity Shares on preferential basis
- c) Copy of certificates dated February 16, 2015 and October 26, 2015 issued by M/s Natvarlal Vepari & Co., Chartered Accountants certifying the net worth and the adequacy of financial resources to fulfil the open offer obligations by Ipca Laboratories Limited
- d) Copy of Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.

- e) Copy of Certificate of Incorporation, Memorandum and Articles of Association of Ipca Laboratories Limited, the Acquirer.
- f) Annual Reports of the Target Company for the financial years 2011-12, 2012-13, 2013-14 and 2014-15.
- g) Annual Reports of the Acquirer for the financial years 2011-12, 2012-13, 2013-14 and 2014-15.
- h) Copy of Memorandum of Understanding (MOU) dated February 13, 2015 executed between the Acquirer and the Managers to the Offer
- i) Copy of Memorandum of Understanding (MOU) dated February 16, 2015 executed between the Acquirer and the Registrar to the Offer
- j) Copy of Escrow Agreement dated February 14, 2015 executed amongst Yes Bank, Acquirer and the Manager to the Offer
- k) Copy of Public Announcement made on February 13, 2015
- l) Copy of the DPS published on February 24, 2015
- m) Due Diligence Certificate dated March 3, 2015 submitted to SEBI by Arihant Capital Markets Limited, Manager to the Offer.
- n) SEBI Observation Letter bearing reference number CFD/DCR1/SG/OW/29733/2015 dated October 21, 2015

10. DECLARATION

1. In terms of Regulation 25(3) of the SEBI SAST Regulations, the Acquirer 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 is duly and legally authorised by the Board of Directors of the Acquirer to sign this Letter of Offer.

Signed by the Acquirer
For Ipca Laboratories Limited

A. K. Jain
Joint Managing Director

Place: Mumbai
Date: October 29, 2015

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Share Transfer Form

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	November 9, 2015
Offer closes on	November 24, 2015

From:

Name:	
Address:	
Tel No.:	_____ ; Fax No.: _____ e-mail: _____

To

Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nankramguda, Hyderabad – 500 032; Tel : 040-67162222; Fax : 040-23431551; e-mail : murali.m@karvy.com;
Contact Person : Mr. M. Muralikrishna

Dear Sir,

Sub: Open Offer to the shareholders of Krebs Biochemicals And Industries Limited (the Target Company) for acquisition of 35,73,515 Equity Shares of Rs.10/- each representing 26% of equity share capital of the Target Company, for cash at a price of Rs.54/- per share by Ipca Laboratories Limited (Acquirer)

I/We refer to the Letter of Offer dated October 29, 2015 for acquiring the Equity Shares held by me/us in Krebs Biochemicals And Industries Limited

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

(In the case of Shares in Physical Form)

Sl. No.	Ledger Folio No.	No. of Shares	No. of Share Certificates (Quantity)	Share Certificate Nos.	Distinctive Numbers	
					From	To
TOTAL						

(In case of insufficient space, please attach a separate sheet and authenticate the sheet(s) by putting signature(s) on each sheet(s).)

I/We confirm that the Equity Shares of Krebs Biochemicals And Industries Limited which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original Share certificate(s) and valid Share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers make payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

-----Tear Here-----

ACKNOWLEDGEMENT RECEIPT

Received from Mr./Ms./M/s _____ Form of Acceptance-cum-Acknowledgement in connection with Open Offer to Shareholders of Krebs Biochemicals And Industries Limited

Ledger Folio No. _____ & _____ No. of Share Certificates /Copy of Delivery instructions to DP for _____ Shares of Krebs Biochemicals And Industries Limited

Stamp of Registrar	In case of physical Shares, verify the number of Share certificates / number of Shares	In case of dematerialized Shares, ensure that copy of the delivery instruction to the DP and duly acknowledged by the DP is submitted with the tender / offer form.
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I/We hold the following Equity Shares of Krebs Biochemicals And Industries Limited in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares, details of which are given below:

Sl.No.	DP Name.	DP ID	Client ID	Name of beneficiary	No. of Shares
TOTAL					

I/We have done an Off-Market transfer for crediting the Shares to the Special Depository Account noted below:

DP Name	Karvy Stock Broking Limited	DP ID	IN300394
Client ID	19040391	Account Name	KCPL – KREBS OPEN OFFER ESCROW ACCOUNT

I/We note and understand that the Shares transferred to the above Special Depository Account, will be held in trust for me/us by the Registrar to the Offer until the time the Acquirers make payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after due verification of the documents.

I/We confirm that the Equity Shares of Krebs Biochemicals And Industries Limited which are transferred by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, Equity Share certificate(s) or equity shares in demat form in respect of which the offer is not found valid /not accepted, specifying the reasons thereof. I/We authorize the Acquirers or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below:

The Permanent Account No. (PAN) Allotted under the Income Tax Act 1961 is as under

	PAN
Sole / First Holder	
Joint Holder 1	
Joint Holder 2	

Yours faithfully

I understand that I / we will not be allowed to withdraw the shares tendered under this Open Offer as per the extant SEBI SAST Regulations

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		

Date: _____

Place: _____

Note: In case of joint holdings all must sign. Corporations must affix its common seal and attach herewith the necessary Board Resolution.

To avoid fraudulent encashment in transit, the shareholder(s) may provide details of Bank Account of the First/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank, Branch /Address	Account No.	Savings /Current/ NRE/NRO /Other
I/We want to receive the payment through ECS <input type="checkbox"/> RTGS <input type="checkbox"/> NEFT <input type="checkbox"/>		
In case of ECS, 9-digit code number of the Bank & Branch (Appearing on the MICR Cheque issued by the Bank)		
In the case of RTGS/NEFT, 8 digit code number issued by the Bank		
Address	Phone / Fax Nos.	Contact Person /E-mail ID
All future correspondence, if any, should be addressed to Registrar to the Offer		
Karvy Computershare Private Ltd Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda Hyderabad - 500 032	Tel : 040-67162222 Fax : 040-23431551 e-mail:murali.m@karvy.com	Mr. M. Muralikrishna