



Date: 24.02.2025

To,
Department of Corporate Services,
BSE Limited
P J Towers, Dalal Street,
Mumbai 400 001

SCRIP CODE: 512361

ISIN: INE108G01010

Subject: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Ma'am,

Please find attached copy of the Draft Letter of Offer received by the Company from Saffron Capital Advisors Private Limited in relation to the open offer to the public shareholders of the Company.

Kindly take the above on record.

Thanking you,

Yours sincerely,

For Cupid Breweries and Distilleries Limited
(Formerly known as Cupid Trades and Finance Limited)

Sri Venkata Rajeswara Rao Samavedam
Director (DIN:10347786)

Cupid Breweries and Distilleries Limited
(formerly known as Cupid Trades and Finance Limited)

(CIN: L11010MH1985PLC036665)

Registered office:

Gr. Floor, Block No. 2, Parekh Ngr., Nr.
BMC Hospital, S. V. Road, Kandivali
(W), Mumbai - 400067

Corporate office:

Stride Hospitals Building, 4th Floor,
MIG 15-218, KPHB, Mainroad Kukatpally, Hyderabad,
Tirumalagiri - 500072, Telangana, India.

Marketing office:

First Floor, Haudin Road, off
Halasur Road, Bangalore -
560042, India.

☎ : 8097894999

✉ : infosec@cupidalcobev.com

🌐 : www.cupidalcobev.com

Date: February 24, 2025

To,

Cupid Breweries and Distilleries Limited

Block No. 2, Parekh Nagar, Near BMC

Hospital, S V Road, Kandivali (West),

Mumbai, Maharashtra, 400067

Dear Sir/Madam,

Subject: Open offer for acquisition of up to 9,60,000* (Nine Lakh Sixty Thousand) fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten only) each for cash at a price of ₹ 70/- (Rupees Seventy only), including interest of ₹ 10⁵/- (Rupees Ten only) per equity share aggregating up to ₹ 6,72,00,000/- (Rupees Six Crore Seventy Two Lakh only), ("Equity Shares"), representing 100% (One Hundred Percent) of the existing public shareholding of Cupid Breweries and Distilleries Limited (formerly known as Cupid Trades and Finance Limited) ("Target Company"), on a fully diluted basis, by Erramilli Venkatachalam Prasad ("Acquirer 1") and Rodrigues Bhagvandas Lily ("Acquirer 2") (hereinafter Acquirer 1 and Acquirer 2 collectively referred to as "Acquirers") together with Erramilli Rishab ("Person Acting in Concert" or "PAC"), from the public shareholders (as defined below) of the Target Company, pursuant to and in compliance with Regulations 3(1) and 4 read with Regulations 13, 14 and 15(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("SEBI (SAST) Regulations, 2011") ("Offer" or "Open offer").

**Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital (defined below) exceeds the existing public shareholding in the Target Company. Hence the Offer Size (defined below) is considered as 100% (One Hundred Percent) of Existing Voting Share capital (defined below).*

\$The interest is calculated @ 10% (Ten Percent) per annum for the period of 601 (Six Hundred and One) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).

We have been appointed as 'Manager' to the captioned Open Offer by the Acquirers and the PAC in terms of regulation 12(1) of the SEBI (SAST) Regulations 2011. In this regard, we are enclosing herewith a copy of Draft Letter of Offer dated **February 24, 2025**, ("DLOF").

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

| Contact Person | Designation | Contact Number | E-mail Id |
|-----------------|----------------|-----------------|--|
| Saurabh Gaikwad | Manager | +91-22-49730394 | saurabh@saffronadvisor.com |
| Satej Darde | Senior Manager | | satej@saffronadvisor.com |

For Saffron Capital Advisors Private Limited

S.V. Gaikwad


Saurabh Gaikwad

Manager

Equity Capital Markets

DRAFT LETTER OF OFFER (“DLOF”)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

OPEN OFFER (“OPEN OFFER”/ “OFFER”) BY

Erramilli Venkatachalam Prasad (“Acquirer 1”) having

Residential Address at: 1133, Pragathi Nagar, Opp. JNTU, Nizampet, K.V., Rangareddy, Telangana, 500090;

Tel: +91 9985511564; **Email:** prasad@cupidalcobev.com;

Rodrigues Bhagvandas Lily (“Acquirer 2”) having

Residential Address at: 1133, Pragathi Nagar, Opp. JNTU, Nizampet, K.V., Rangareddy, Telangana, 500090;

Tel: +91 965253211; **Email:** stocklilly9@gmail.com;

(Hereinafter Acquirer 1 and Acquirer 2 Collectively Referred to as “**Acquirers**”)

And

Erramilli Rishab (“Person Acting in Concert” or “PAC”) having

Residential Address at: Plot No. 235/236, Flat No. 201, Venkat D Villa Apartments, Vivekananda Nagar Colony, Kukatpally, 500072;

Tel: +91 7032826802; **Email:** rishabh2erramilli@gmail.com;

To the Eligible Shareholder(s) of

Cupid Breweries and Distilleries Limited (“Target Company”) having

(Formerly Known as Cupid Trades and Finance Limited)

Registered Office at: Block No. 2, Parekh Nagar, Near BMC Hospital, S V Road, Kandivali (West), Mumbai, Maharashtra, 400067,

Tel: +91-8097894999; **Email:** cs@cupidalcobev.com; **Website:** www.cupidalcobev.com;

Corporate Identification Number: L11010MH1985PLC036665;


to acquire up to **9,60,000*** (Nine Lakh Sixty Thousand) fully paid Equity Shares of face value of ₹ **10/-** each (“**Offer Shares**”) representing **100%** (One Hundred Percent) of the existing public shareholding of the Target Company on a fully diluted basis, as of the 10th (Tenth) working day from the closure of the Tendering Period of the open offer, at an offer price of ₹ **70/-** (Rupees Seventy only) inclusive of an interest @10% (Ten Percent) per annum (for delay in making open offer) i.e. ₹ **10^{5/-}** (Rupees Ten only), per Equity Share (“**Offer Price**”).

**Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital (defined below) exceeds the existing public shareholding in the Target Company. Hence the Offer Size (defined below) is considered as 100% (One Hundred Percent) of Existing Voting Share capital (defined below).*

⁵The interest is calculated @ 10% (Ten Percent) per annum for the period of 601 (Six hundred and One) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).

Please Note:

1. This Open Offer (as defined below) is being made by the Acquirers and the PAC to the Public Shareholders of the Target Company, in accordance with Regulations 3(1) and 4 read with Regulation 15(1) and Regulation 13(2)(g) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (“**SEBI (SAST) Regulations, 2011**”).
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations, 2011.
3. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
4. **As per the information available with the Acquirers, the PAC and the Target Company, there has been no competing offer as on date of this Draft Letter of Offer. If there is a competing offer, the public offer under all subsisting bids shall open and close on the same date.**
5. As on date of this Draft Letter of Offer, no statutory approvals are required in relation to this Offer except as detailed in Section VIII(B) of this Draft Letter of Offer.
6. In terms of Regulation 23 of the SEBI (SAST) Regulations, in the event that, for reasons outside the reasonable control of the Acquirers and the PAC, any statutory approvals required are not received or refused, then the Acquirers and the PAC shall have the right to withdraw the Open Offer. In the event of such withdrawal of the Open Offer, the Acquirers and the PAC, through the Manager to the Offer, shall, within 2 (two) working days of such withdrawal, make an announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement was published, stating the grounds for the withdrawal in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011.
7. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirers and the PAC shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
8. In the event that the number of Equity Shares validly tendered by the Shareholders under this Open Offer is more than the number of Offer Shares, the Acquirers and the PAC shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager to the Offer.
9. The Acquirers and the PAC reserves the right to revise the Offer Price and/or the Offer Size upwards at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period (as defined below) in accordance with Regulation 18(4) of the SEBI SAST Regulations, 2011. In the event of acquisition of the Equity Shares by the Acquirers and the PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI SAST Regulations, 2011. In the event of any revision of the Offer Price and/or the Offer Size, the Acquirers and the PAC shall: (i) make a corresponding increase to the escrow amount, (ii) make an announcement in the same newspapers in which the Detailed Public Statement was published, and (iii) simultaneously notify the Stock Exchanges (as defined below), SEBI (as defined below) and the Target Company at its registered office. Such revision would be done in compliance with the requirements prescribed under the SEBI (SAST) Regulations, 2011.
10. A Copy of the Public Announcement (“**PA**”) and the Detailed Public Statement (“**DPS**”) are available on the website of Securities and Exchange Board of India (“**SEBI**”) (www.sebi.gov.in), and a copy of this Draft Letter of Offer (“**DLOF**”) and Letter of Offer (“**LOF**”) (including the Form of Acceptance cum acknowledgement) will also be available on the website of SEBI at (www.sebi.gov.in).

| All future correspondence, if any, should be addressed to the Manager to the Offer/ Registrar to the Offer at the address mentioned below: | |
|--|---|
| MANAGER TO THE OFFER | REGISTRAR TO THE OFFER |
|  |  |
| Saffron Capital Advisors Private Limited 605, Sixth Floor, Centre Point, J.B. Nagar, Andheri (East), Mumbai - 400 059, Tel. No.: +91 22 49730394; Email id: openoffers@saffronadvisor.com; Website: www.saffronadvisor.com ; Investor grievance id: investorgrievance@saffronadvisor.com ; SEBI Registration Number: INM000011211; Validity: Permanent Contact Person: Saurabh Gaikwad/ Satej Darde OFFER OPEN ON: Monday, April 07, 2025 | Cameo Corporate Services Limited Subramanian Building, No. 1, Club House Road, Chennai- 600002, Tamil Nadu, India Tel: +91 44 4002 0700; E-mail: priya@cameoindia.com; Investor Grievance: investor@cameoindia.com; Website: www.cameoindia.com ; SEBI Registration No.: INR000003753 Validity: Permanent Contact Person: Sreepriya K OFFER CLOSES ON: Wednesday, April 23, 2025 |

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES OF OPEN OFFER

| Activity | (Day and Date)⁽¹⁾ |
|---|-------------------------------------|
| Date of Public Announcement | Friday, February 07, 2025 |
| Date of publication of Detailed Public Statement in the newspapers | Friday, February 14, 2025 |
| Last date for filing of the Draft Letter of Offer with SEBI | Monday, February 24, 2025 |
| Last date for public announcement of competing offer(s) | Tuesday, March 11, 2025 |
| Last date for receipt of comments from SEBI on Draft Letter of Offer (in the event SEBI has not sought clarifications or additional information from the Manager to the Open Offer) | Wednesday, March 19, 2025 |
| Identified Date ⁽²⁾ | Friday, March 21, 2025 |
| Last date by which the Letter of Offer to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date | Friday, March 28, 2025 |
| Last date for upward revision of the Offer Price and/or Offer Size | Thursday, April 03, 2025 |
| Last Date by which the committee of the independent directors of the Target Company is required to publish its recommendation to the Public Shareholders for this Open Offer | Thursday, April 03, 2025 |
| Date of publication of Open Offer opening Public Announcement in the newspapers in which the DPS has been published | Friday, April 04, 2025 |
| Date of commencement of the Tendering Period (“ Offer Opening Date ”) | Monday, April 07, 2025 |
| Date of closure of the Tendering Period (“ Offer Closing Date ”) | Wednesday, April 23, 2025 |
| Last date of communicating the rejection/acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders of the Target Company | Thursday, May 08, 2025 |
| Last date for publication of post Open Offer public announcement in the newspapers in which the DPS has been published | Friday, May 16, 2025 |

⁽¹⁾ The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations, 2011) and are subject to receipt of relevant statutory/regulatory approvals and may have to be revised accordingly. To clarify, the actions set out above may be completed prior to their corresponding dates subject to compliance with the SEBI (SAST) Regulations, 2011.

⁽²⁾ The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent in accordance with the SEBI (SAST) Regulations, 2011. It is clarified that all the Public Shareholders of the Target Company (registered or unregistered) (except the Acquirers, PAC, Transferor Company) are eligible to participate in this Offer at any time prior to the closure of the Tendering Period.

RISK FACTORS

I. RISKS RELATING TO THE UNDERLYING TRANSACTIONS AND OPEN OFFER

- This Open Offer is made under the SEBI (SAST) Regulations, 2011 to acquire up to 9,60,000* (Nine Lakh Sixty Thousand) Equity Shares representing 100% (One Hundred Percent) of the existing public shareholding of the target company from the public shareholders.

**Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital (defined below) exceeds the existing public shareholding in the Target Company. Hence the Offer Size (defined below) is considered as 100% (One Hundred Percent) of Existing Voting Share capital (defined below).*

- In terms of Regulation 23 of the SEBI (SAST) Regulations, 2011, in the event that the approvals specified in paragraph VIII (B) (Statutory and Other Approvals) of this DLOF or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirers and the PAC, then the Acquirers and the PAC shall have the right to withdraw the Open Offer. The following conditions under which the Acquirers and the PAC can withdraw the Open Offer, as provided in Regulation 23(1) of the SEBI (SAST) Regulations, 2011 are:
 - (i) statutory approvals required for the open offer or for effecting the acquisitions attracting the obligation to make an open offer under these regulations having been finally refused, subject to such requirements for approval having been specifically disclosed in the detailed public statement and the letter of offer;
 - (ii) the Acquirer(s) and the PAC, being a natural person, has died;
 - (iii) any condition stipulated in the agreement for acquisition attracting the obligation to make the open offer is not met for reasons outside the reasonable control of the acquirers and the PAC, and such agreement is rescinded, subject to such conditions having been specifically disclosed in the detailed public statement and the letter of offer, provided that an acquirer and the PAC shall not withdraw an open offer pursuant to a public announcement made under clause (g) of sub-regulation (2) of regulation 13, even if the proposed acquisition through the preferential issue is not successful.; or
 - (iv) such circumstances as in the opinion of the Board, merit withdrawal.

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

- As of the date of this Draft Letter of Offer, there are no statutory or other approvals required by the Acquirers and PAC to complete the Underlying Transaction and this Open Offer, other than as mentioned in Paragraph VIII (B) (Statutory and Other Approvals) of this DLOF. If there is a delay in receipt of any applicable statutory or other approvals, then the Open Offer process may be delayed beyond the dates indicated in the tentative schedule of major activities of the Open Offer disclosed in this DLOF (on page number 3). In case the Equity Shares are tendered in the Open Offer and a delay is caused due to delay in receipt of any applicable statutory or other approvals, the payment of consideration to Public Shareholders whose Equity Shares have been accepted under the Open Offer as well as return of Equity Shares not accepted by the Acquirers and the PAC may be delayed.
- Where the statutory or regulatory approvals extend to some but not all the public shareholders, the Acquirers and the PAC shall have the option to make payment of the consideration to such public shareholders in respect of whom no statutory or regulatory approvals are required in order to complete this Offer in respect of such public shareholders. Further, if any delay occurs on account of wilful default by the Acquirers and the PAC in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations, 2011 will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.

Regulation 17(9) of the SEBI (SAST) Regulations, 2011 states that;

In the event of non-fulfillment of obligations under these regulations by the acquirer the Board may direct the manager to the open offer to forfeit the escrow account or any amounts lying in the special escrow account, either in full or in part.
- In case of delay/non-receipt of any statutory or other approvals referred to in Paragraph VIII (B) (Statutory and Other Approvals) of this DLOF, SEBI may, if satisfied that non-receipt of the requisite approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirers and the PAC to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirers and the PAC to the Public Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulation 18(11) or Regulation 18(11A) of the SEBI (SAST) Regulations, 2011.

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

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

II. RISKS RELATING TO ACQUIRERS AND THE PAC

- The Acquirers and the PAC make no assurance with respect to the future performance of the Target Company or the impact on the employees of the Target Company. The Public Shareholders should not be guided by the past performance of the Target Company and/or the Acquirers and the PAC, when arriving at their decision to participate in the Open Offer. The Acquirers and the PAC disclaim any responsibility with respect to any decision of Public Shareholders on whether to participate in the Open Offer or not.
- The Acquirers and the PAC make no assurance with respect to Acquirers' and the PAC investment/divestment decisions relating to their proposed shareholding in the Target Company.
- The Acquirers and the PAC cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and the Acquirers and the PAC expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any eligible shareholder on whether to participate or not to participate in the Offer.
- For the purpose of disclosures in the DLOF, all information relating to the Target Company has been obtained from publicly available sources or from the Target Company. The accuracy of such details of the Target Company has not been independently verified by the Acquirers and the PAC and the Manager to the Offer.
- As per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI (LODR) Regulations, 2015**") read with Rules 19(2) and 19A of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), the Target Company is required to maintain at least 25% (twenty five percent) public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Upon completion of the Open Offer and the underlying Transactions, if the public shareholding of the Target Company falls below the minimum level of public shareholding as required to be maintained by the Target Company as per the SCRR and the SEBI (LODR) Regulations, the Acquirers and the PAC undertake to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the Securities Contract (Regulation) Rules, 1957, as amended, as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations, 2011 and/or the SEBI (LODR) Regulations, 2015, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% within 12 months from the date of such fall in the public shareholding to below 25%, through permitted routes and/or any other such routes as may be approved by SEBI from time to time.

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

NOTICE TO SHAREHOLDERS IN OTHER COUNTRIES

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

NOTICE TO SHAREHOLDERS IN UNITED STATES

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

CURRENCY OF PRESENTATION

In this DLOF, all references to “Rupees” or “₹” or “Rs.” are references to the Indian Rupee(s) (“₹”). In this DLOF, any discrepancy in figures as a result of multiplication or totaling is due to rounding off.

Table of Contents

| | |
|--|----|
| I. KEY DEFINITIONS | 9 |
| II. DISCLAIMER CLAUSE | 11 |
| III. DETAILS OF THE OFFER | 12 |
| IV. OBJECT OF THE ACQUISITION/ OFFER..... | 17 |
| V. BACKGROUND OF THE ACQUIRERS AND THE PAC..... | 18 |
| IX. OFFER PRICE AND FINANCIAL ARRANGEMENTS | 30 |
| X. TERMS AND CONDITIONS OF THE OFFER | 34 |
| XI. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER | 36 |
| XII. NOTE ON TAXATION | 44 |
| XIII. DOCUMENTS FOR INSPECTION | 50 |
| XIV. DECLARATION BY THE ACQUIRERS AND THE PAC | 51 |

I. KEY DEFINITIONS

| | |
|---|--|
| Acquirer 1 | Erramilli Venkatachalam Prasad residing at 1133, Pragathi Nagar, Opp. JNTU, Nizampet, K.V., Rangareddy, Telangana, 500090 |
| Acquirer 2 | Rodrigues Bhagvandas Lily residing at 1133, Pragathi Nagar, Opp. JNTU, Nizampet, K.V., Rangareddy, Telangana, 500090 |
| Acquirers | Acquirer 1 and Acquirer 2 collectively referred to as Acquirers |
| Board of Directors | Board of Directors of the Target company |
| BSE | BSE Limited |
| Buying Broker | Stock broker appointed by Acquirers for the purpose of this Open Offer i.e. Choice Equity Broking Private Limited |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identification Number |
| Companies Act | The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) as amended, substituted or replaced from time to time. |
| Convertible Warrants | refers to warrants which will be convertible into equal number of Equity Shares of the Target Company in accordance with the provisions of SEBI (ICDR) Regulations, 2018 (as defined below); |
| Depositories | NSDL and CDSL |
| Designated Stock Exchange | BSE Limited |
| Detailed Public Statement/ DPS | Detailed Public Statement dated February 13, 2025, issued by the Manager to the Offer, on behalf of the Acquirers and the PAC, in relation to the Offer and published in all the editions of Financial Express (English), Jansatta (Hindi) and Navshakti (Marathi)* on February 14, 2025, in accordance with the Regulations 3(1) and 4 read with Regulations 13(4), 14 and 15(2) and other applicable regulations of the SEBI (SAST) Regulations, 2011. <i>*Being the regional language of Mumbai, where the Registered Office of the Target Company is located and the Stock Exchange where the equity shares of the Target Company are listed.</i> |
| DIN | Director Identification Number |
| DP | Depository participant |
| DLOF/ Draft Letter of Offer | This Draft Letter of Offer dated February 24, 2025 |
| Emerging Voting Share Capital | means 5,78,90,591 (Five Crore Seventy Eight Lakh Ninety Thousand Five Hundred and Ninety One) fully paid-up equity shares of the face value Rs. 10/- (Rupees Ten only) each of the Target Company assuming full conversion of 48,00,000 (Forty Eight Lakh) Convertible Warrants |
| EPS | Earnings Per Share calculated as profit after tax divided by number of equity shares issued |
| Equity Share(s)/ Share(s) | shall mean the fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten only) each of the Target Company |
| Escrow Agreement | Escrow Agreement dated February 07, 2025, entered between the Acquirers, Escrow Agent and Manager to the Offer |
| Escrow Bank / Escrow Agent | ICICI Bank Limited |
| Existing Voting Share Capital or Pre Preferential voting share capital | means paid up share capital of the Target Company prior to proposed preferential issue i.e., ₹ 96,00,000/- (Rupees Ninety Six Lakh only) divided into 9,60,000 (Nine Lakh Sixty Thousand) fully paid-up Equity Shares of face value Rs. 10/- (Rupees Ten only) each, held by the public shareholders completely; |
| FEMA | The Foreign Exchange Management Act, 1999, as amended or modified from time to time |
| FII(s) | Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act, 1961 which includes sub-accounts of FIIs and if any Foreign Institutional Investor(s) have been reorganized as Foreign Portfolio Investors, such Foreign Portfolio Investors |
| Financial Year | has the same meaning as ascribed to it in the SEBI (SAST) Regulations, 2011 |
| Identified Date | Friday, March 21, 2025, i.e., the date falling on the 10 th (tenth) working day prior to the commencement of the Tendering Period, for the purposes of determining the public shareholders to whom the letter of offer shall be sent |
| Letter of Offer/ LOF | The Letter of Offer, duly incorporating SEBI's comments on the Draft Letter of Offer |

| | |
|--|--|
| LLP | Limited Liability Partnership |
| Loan Agreement | shall mean loan agreement dated December 08, 2023, entered into between Acquirer 1, Acquirer 2 and Samavedam Sri Venkata Rajeswara Rao ('Lender 3') (collectively referred to as "lenders") and the Target Company, pursuant to which the Target Company has availed loans, with rights to the lenders to convert it into Equity shares of the Target Company |
| Manager to the Offer/Merchant Banker | Saffron Capital Advisors Private Limited |
| NRI | Non-Resident Indian as defined in Foreign Exchange Management (Deposit) Regulations, 2000, as amended |
| NSDL | National Securities Depository Limited |
| OCB | Overseas Corporate Body, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000 |
| Offer/Open Offer | <p>9,60,000* (Nine Lakh Sixty Thousand) fully paid Equity Shares of the Target Company, of face value of ₹ 10 each representing 100% (One Hundred Percent) of the existing public shareholding, at a price of ₹ 70/- (Rupees Seventy only) inclusive of an interest @ 10% (ten percent) per annum (for delay in making open offer) i.e. ₹ 10\$/- (Rupees Ten only), per Equity Share payable in cash.</p> <p><i>*Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (twenty six percent) of the Emerging Voting Share Capital (defined below) exceeds the existing public shareholding in the Target Company. Hence the Offer Size (defined below) is considered as 100% (one hundred percent) of Existing Voting Share capital (defined below).</i></p> <p><i>\$The interest is calculated @ 10% (ten percent) per annum for the period of 601 (Six hundred and one) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).</i></p> |
| Offer Consideration | The maximum consideration payable under this Offer, assuming full acceptance, is ₹ 6,72,00,000 (Rupees Six Crore Seventy Two Lakh only) |
| Offer Period | The period between the date on which the PA i.e. Friday, February 07, 2025, was issued by the Acquirers and the PAC and the date on which the payment of consideration to the Public Shareholders whose Equity Shares are validly accepted in this offer, is made, or the date on which this Offer is withdrawn, as the case may be |
| Offer Price | <p>₹ 70/- (Rupees Seventy only) inclusive of an interest @ 10% (ten percent) per annum (for delay in making open offer) i.e. ₹ 10\$/- (Rupees Ten only), per Equity Share</p> <p><i>\$The interest is calculated @ 10% (ten percent) per annum for the period of 601 (Six hundred and one) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer)</i></p> |
| Offer Size / Offer Shares | <p>9,60,000* (Nine Lakh Sixty Thousand) fully paid Equity Shares of the Target Company, of face value of ₹ 10 each representing 100% (One Hundred Percent) of the existing public shareholding of the Target Company.</p> <p><i>*Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (twenty six percent) of the Emerging Voting Share Capital (defined below) exceeds the existing public shareholding in the Target Company. Hence the Offer Size (defined below) is considered as 100% (one hundred percent) of Existing Voting Share capital (defined below).</i></p> |
| PAN | Permanent Account Number |
| Person Acting in Concert or "PAC" | has the same meaning as ascribed to it in the SEBI (SAST) Regulations, 2011, as amended, which shall mean Erramilli Rishab |
| Proposed Preferential Issue | shall collectively mean issue of 5,21,30,591 (Five Crore Twenty One Lakh Thirty Thousand Five Hundred and Ninety One) Equity Shares and 48,00,000 (Forty Eight Lakhs) Convertible Warrants. |
| Public Announcement/PA | Public Announcement of the Open Offer made by the Manager to the Offer on behalf of the Acquirers and the PAC on Friday, February 07, 2025, in accordance with SEBI (SAST) Regulations, 2011 |
| Public Shareholders/Eligible Shareholders | shall mean all the equity shareholders of the Target Company who are eligible to tender their Equity Shares in the Open Offer, except the Acquirers, PAC, Transferor Company (defined below) and any person deemed to be acting in concert with them, pursuant to and in compliance |

| | |
|--|--|
| | with the provisions of regulation 7(6) of the SEBI (SAST) Regulations, 2011; |
| RBI | Reserve Bank of India |
| Registrar to the Offer | Cameo Corporate Services Limited |
| SCRR | Securities Contract (Regulations) Rules, 1957, as amended |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended |
| SEBI (ICDR) Regulations, 2018 | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 and subsequent amendments thereof |
| SEBI (SAST) Regulations, 1997 | Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereof |
| SEBI (SAST) Regulations, 2011 | Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 2011 and subsequent amendments thereof |
| Selling Broker | Respective stockbrokers of all eligible shareholders who desire to tender their Shares under the Open Offer |
| SEBI LODR Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendment thereto |
| Share Purchase Agreement or SPA | Agreement dated entered between Acquirers, Target Company, Transferor Company and other shareholders of the Transferor Company |
| Stock Exchange | Shall mean BSE Limited |
| Target Company | Cupid Breweries and Distilleries Limited (<i>Formerly Known as Cupid Trades and Finance Limited</i>) having its registered office at Block No. 2, Parekh Nagar, Near BMC Hospital, S V Road, Kandivali (West), Mumbai - 400067, Maharashtra, India |
| Tendering Period | Monday, April 07, 2025, to Wednesday, April 23, 2025, both days inclusive |
| Transferor Company | means the Crochet Industries Private Limited (“CIPL”), promoted by the Acquirers. |
| Working Day | Working days of SEBI |

II. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THIS DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF CUPID BREWERIES AND DISTILLERIES LIMITED (FORMERLY KNOWN AS CUPID TRADES AND FINANCE LIMITED) TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS AND THE PAC OR THE TARGET COMPANY WHOSE EQUITY SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS AND THE PAC ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS AND THE PAC DULY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 24, 2025, TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND THE PAC FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

III. DETAILS OF THE OFFER

A) Background of the Offer

- 1) This Offer is a triggered offer being made by the Acquirers and the PAC, in compliance with Regulations 3(1) and 4 read with Regulation 15(1) and Regulation 13(2)(g) of the SEBI (SAST) Regulations, 2011, to the Public Shareholders of the Target Company, to acquire up to 9,60,000* (Nine Lakh Sixty Thousand) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each ("Offer Shares"), representing 100% (One Hundred Percent) shareholding of the Existing Voting Share capital of the Target Company ("Offer Size"), at an offer price of ₹ 70/- (Rupees Seventy only), inclusive of an interest @10% (ten percent) per annum (for delay in making open offer) i.e. ₹ 10^s (Rupees Ten only) per Equity Share ("Offer Price"), subject to the terms and conditions mentioned in the PA, the DPS and to be set out in the letter of offer ("LoF") to be issued for the Offer in accordance with the SEBI (SAST) Regulations, 2011.

**Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital exceeds the existing public shareholding in the Target Company. Hence the Offer Size (as defined above) is considered as 100% (One Hundred Percent) of Existing Voting Share capital.*

^sThe interest is calculated @ 10% (Ten Percent) per annum for the period of 601 (Six hundred and one) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).

- 2) Pursuant to the loan agreement dated December 08, 2023, Erramilli Venkatachalam Prasad ("Acquirer 1") and Rodrigues Bhagvandas Lily ("Acquirer 2") have acquired the management control of the Target Company on December 08, 2023. Pursuant to Loan agreement, the Acquirers triggered the obligation to make an Open Offer on December 08, 2023* (Date when Public Announcement was required to be given), in terms of Regulation 4 of SEBI (SAST) Regulations, 2011. However, the Acquirers intend to fulfill their obligations under the SEBI (SAST) Regulations 2011, by giving a Public Announcement, at an Offer Price, inclusive of an interest @ 10% (Ten Percent) per annum from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).

**On December 08, 2023, the trading in equity share of target Company was suspended on the exchange, which got revoked w.e.f December 03, 2024.*

- 3) The Board of Directors of the Target Company at their meeting held on Friday, February 07, 2025, approved the issue of 10,10,591 (Ten Lakh Ten Thousand Five Hundred and Ninety One) Equity Shares on a preferential basis at a price of ₹ 60/- (Rupees Sixty only) per fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten only) each on preferential basis representing 1.75% (One point Seventy Five Percent) of Emerging Voting Share Capital of the Target Company, out of which 9,05,441 (Nine Lakh Five Thousand Four Hundred and Forty One) Equity Shares to Acquirer 1; 94,559 (Ninety Four Thousand Five Hundred and Fifty Nine) Equity Shares to Acquirer 2 and 10,591 (Ten Thousand Five Hundred and Ninety One) Equity Shares to lender 3 under Section 62 of the companies Act, 2013 and in terms of SEBI (ICDR) Regulations, 2018 subject to approval of the shareholders and statutory approvals against conversion of unsecured loans granted by the Allottees to the Target Company.
- 4) The Board of Directors of the Target Company, also at their meeting held on Friday, February 07, 2025, approved the issue of 48,00,000 (Forty Eight Lakh) Convertible Warrants on a preferential basis at a price of ₹ 60/- (Rupees Sixty only) per fully paid-up Equity Share of face value of ₹ 10/- (Rupees Ten only) each representing 8.29% (Eight point Twenty Nine Percent) of Emerging Voting Share Capital of the Target Company, out of which 35,00,000 (Thirty Five Lakh) Convertible Warrants are to be allotted to Acquirer 1, 1,00,000 (One Lakh) Convertible Warrants are to be allotted to Acquirer 2, 6,00,000 (Six Lakh) Convertible Warrants are to be allotted to Lender 3 and 6,00,000 (Six Lakh) Convertible Warrants are to be allotted to a public shareholder of the Transferor Company, under Section 62 of the companies Act, 2013 and in terms of SEBI (ICDR) Regulations, 2018 subject to approval of the shareholders and statutory approval.
- 5) Further, pursuant to the Share Purchase Agreement dated February 07, 2025 ("SPA") entered between Acquirers, Target Company, Transferor Company and other shareholders of the Transferor Company, the Board of Directors of the Target Company at their meeting held on Friday, February 07, 2025, subject to the approval of the shareholders and the other statutory authorities, authorized a preferential allotment of 5,11,20,000 (Five Crore Eleven Lakh Twenty Thousand) fully paid-up Equity Shares of face value of ₹ 10/- (Rupees Ten only) each on preferential basis representing 88.30% (Eighty Eight point Thirty Percent) of Emerging Voting Share Capital of the Target Company for consideration other than cash i.e. against the acquisition of 4,50,00,000 (Four Crore Fifty Lakh) equity shares of Transferor Company at a price of ₹ 60/- (Rupees Sixty only) per fully paid-up Equity Share, out of which 1,06,61,767 (One Crore Six Lakh Sixty One Thousand Seven Hundred and Sixty Seven) Equity Shares

are to be allotted to Acquirer 1, 1,43,70,400 (One Crore Forty Three Lakh Seventy Thousand Four Hundred) Equity Shares are to be allotted to Acquirer 2 and 2,60,87,833 (Two Crore Sixty Lakh Eighty Seven Thousand Eight Hundred and Thirty Three) Equity Shares to other shareholders of the Transferor Company, in compliance with the provisions of the Companies Act, 2013 ("Act") and Chapter V of SEBI ICDR Regulations, 2018.

- 6) The consent of the members of the Target Company for the proposed preferential issue as mentioned above is being sought at the Extra Ordinary General Meeting ("EOGM") to be held on Tuesday, March 04, 2025.
- 7) Acquirers, Target Company, Transferor Company and other shareholders of the Transferor Company have entered into a share purchase agreement dated February 07, 2025, amongst themselves to record the mutually agreed terms and conditions for purchase of the shares of Crochet Industries Private Limited ("Transferor Company") in consideration of shares of the Target Company. Pursuant to the said acquisition, the target Company will acquire upto 100% stake in Crochet Industries Private Limited. Post completion of Offer, the Target Company proposes to make the Transferor Company its Wholly owned Subsidiary. The advantage of this swap will result into achieving control on the business of manufacturing IMFL and breweries which will benefit all the stakeholders associated with the Company including shareholders at large.
- 8) The detailed proposed allotment of Equity Shares and Convertible Warrants of the Target Company to Acquirers and the PAC at a price of ₹ 60/- (Rupees Sixty only) per Equity Share are tabled below:

| Name of the Acquirers and the PAC | Pre-Transaction Shareholding Number and % of Total Existing Voting Share Capital | Total No. of Equity Shares/Warrants to be allotted under proposed preferential issue | Total No. of Equity Shares held in Target Company post proposed preferential issue (assuming full conversion of warrants) | % of Total Number of Equity Shares on Emerging Voting Share Capital |
|---|--|--|---|---|
| Acquirer 1 ("Erramilli Venkatachalam Prasad") | Nil 0.00% | 1,15,67,208 – Equity Shares & 35,00,000 - Convertible Warrants | 1,50,67,208 | 26.03% |
| Acquirer 2 ("Rodrigues Bhagvandas Lily") | Nil 0.00% | 1,44,64,959 - Equity Shares & 1,00,000 - Convertible Warrants | 1,45,64,959 | 25.16% |
| PAC ("Erramilli Rishab")* | Nil 0.00% | Nil 0.00% | Nil 0.00% | Nil 0.00% |
| Total | Nil 0.00% | 2,60,32,167 – Equity shares & 36,00,000 - Convertible Warrants | 2,96,32,167 | 51.19% |

* PAC is neither acquiring any equity shares in the proposed Preferential Issue nor he is participating in the Open Offer.

- 9) The pre and post-preferential allotment capital of the Target Company would be as under:

| Particulars | No. of Equity Shares/Warrants | Nominal Value (Rs.) |
|--|-------------------------------|---------------------|
| (A) - Pre-Preferential voting share capital | 9,60,000 | 96,00,000 |
| (B) - Proposed preferential allotment of Equity Shares | 5,21,30,591 | 52,13,05,910 |
| (C) - Proposed preferential allotment of Convertible warrants | 48,00,000 | 4,80,00,000 |
| (D) - Post Preferential allotment Emerging Voting Share Capital (D) = (A)+(B)+(C) | 5,78,90,591 | 57,89,05,910 |

10) The Salient features of share purchase agreement are as follows:

- a. Purchaser and the Company intend to engage in this arrangement for the purpose of expanding and strengthen the business. The parties have confirmed, approved the terms of this agreement and that all necessary corporate authorizations and consent have been obtained.
- b. The Acquirers have acquired management control of the Target Company pursuant to Regulation 4 of Securities And Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations, 2011 as amended ("Takeover Regulation) and by the virtue of the execution of this share purchase agreement, the acquirer shall exceed twenty five (25%) of the shares and voting rights in the target Company, post issue Share Capital and shall trigger open offer pursuant to Regulation 3(1) of Takeover Regulation.
- c. As on the Execution Date, the Sellers are the legal and beneficial owner of the Sale Shares of the Company, constituting 100% (One Hundred Percent) of the share capital of the Company;
- d. The Purchaser is, relying on the covenants, representations and warranties provided by the Sellers and the Company to the Purchaser, desirous of acquiring the Sale Shares from the Sellers and the Sellers are desirous of selling the Sale Shares to the Purchaser for consideration other than cash, by way of a share swap transaction, against the issuance and allotment by the Purchaser to the Sellers, of the Consideration Shares (as defined hereinafter) of the Purchaser on preferential basis;
- e. In consideration to the Sellers, selling the Sale Shares to the Purchaser and transferring the title thereto, the Purchaser shall, subject to the terms and conditions contained herein issue and allot to the Sellers on the Closing Date, the Consideration Shares, free from all Encumbrances, on the terms and conditions as set out in this Agreement, towards the discharge of the Consideration for the purchase of the Sale Shares by the Purchaser from the Sellers.
- f. The Sale Shares are fully paid-up Shares carrying voting rights and are sold, free from any Encumbrance and together with all rights, title and interest and shall continue to be owned and held, legally and beneficially, by the Sellers till the Closing Date.
- g. The issue price of the Consideration Shares issued by the Purchaser to the Sellers has been determined in accordance with the provisions of, and are subject to, the terms and conditions (amongst other, lock-in restrictions) as set out in, Chapter V of the SEBI ICDR Regulations.
- h. The Sellers have received all Authorizations as may be required for the consummation of the transactions contemplated under this Agreement and corporate authorizations for approving/including (i) transfer of the Sale Shares from the Sellers to the Purchaser, and (ii) authorization for execution, delivery and performance of its obligations under this Agreement;
- i. The Purchaser shall have all Authorization as require from Regulatory/statutory Authorities and subject to approval of the members, for the consummation of the transactions contemplated under this Agreement, including, corporate authorizations for approving (i) acquisition of the Sale Shares from the Sellers, (ii) the issue and allotment of Consideration Shares to the Sellers, subject to members' approval; and (iii) authorization for execution, delivery and performance of its obligations under this Agreement;
- j. The Parties agree that the obligation of the Sellers to sell the Sale Shares in the manner provided herein is conditional upon fulfilment of the following conditions (the "Purchaser Conditions Precedent") to the satisfaction of the Sellers, unless specifically waived or deferred (waiver or deferral in whole or part by the Sellers in its sole discretion, to the extent permitted under the Applicable Laws) in writing by the Sellers:
- k. As on the closing date, upon successful completion of the open offer, the acquirers will be designated as "Promoter" of the Target Company as per Reg 31(A)(10) of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015 as amended from time to time.
- l. This Agreement and any other documents referred to therein shall constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersede all prior oral and written agreements, representations, statements, negotiations, understandings, proposals and undertakings.
- m. For some of the above terms more specifically defined in the share purchase agreement and other details of share purchase agreement, Public Shareholders of the Target Company may refer to the share purchase agreement, which would be available to them for inspection during the Tendering Period at the Office of the Manager to the Offer.

11) Pursuant to the proposed preferential issue, the Acquirers along with PAC will hold 51.19% (Fifty One point Nineteen Percent) of the Emerging Voting Share Capital of the Target Company.

12) Consequent upon acquiring the equity shares and convertible warrants pursuant to the proposed preferential issue, the post preferential shareholding of the Acquirers (excluding "PAC") will be 2,96,32,167 (Two Crore Ninety Six Lakh Thirty Two Thousand One Hundred and Sixty Seven) equity shares (assuming full conversion of 35,00,000 (Thirty Five Lakh) Convertible warrants by Acquirer 1 and 1,00,000 (One Lakh) Convertible warrants by Acquirer 2) constituting 51.19% (Fifty One point Nineteen Percent) of the Emerging Voting Share Capital of the Target Company. Pursuant to proposed

preferential issue, the Acquirers will be holding substantial stake in the Target Company. Accordingly, this offer is being made in terms of Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations, 2011.

- 13) On February 09, 2025, Acquirers have deposited cash of an amount of ₹ 1,71,99,999/- (Rupees One Crore Seventy One Lakh Ninety Nine Thousand Nine Hundred and Ninety Nine only) in an escrow account opened with ICICI Bank Limited, which is more than 25% of the offer consideration payable to the Public Shareholders under this offer. Accordingly, Acquirer 1 and Acquirer 2 recognizes that the Equity Shares and convertible warrants to be acquired under proposed preferential issue is the subject matter of the SEBI SAST Regulations, 2011 and accordingly Acquirer 1 and Acquirer 2 will acquire Equity Shares and convertible warrants under proposed preferential issue only after completion of open offer formalities and after due compliance with the SEBI SAST Regulations, 2011 under Regulation 22 of the SEBI SAST Regulations, 2011 or comply with the escrow mechanism in terms of Regulation 22(2A) of the SEBI SAST Regulations, 2011.
- 14) The Board of the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, 2011, constitute a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7) of the SEBI SAST Regulations, 2011, the committee of independent directors of the Target Company shall provide their reasoned recommendations on this Open Offer to its shareholders and the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, 2011, cause to publish such recommendation at least 2 (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.
- 15) The primary objective of the Acquirers and the PAC for the above-mentioned acquisition is substantial acquisition of shares and voting rights in the Target Company. The Acquirers and the PAC may diversify its business activities in future into other line of business, however depending on the requirement and expediency of the business situation and subject to all applicable law, rule and regulations, the Board of Directors of the Target Company will take appropriate business decision from time to time in order to improve the performance of the Target Company.
- 16) The Offer Price shall be payable in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
- 17) This Offer is not made pursuant to any indirect acquisition, arrangement or agreement and is not a conditional offer.
- 18) The Offer is not a result of global acquisition resulting in indirect acquisition of Equity Shares of the Target Company or open market purchase.
- 19) The Acquirers and the PAC confirm that they are not prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or under any other regulation made under the SEBI Act.
- 20) As on the date of this DLOF, Erramilli Rishab is a Person Acting in Concert with the Acquirers for the purposes of this Open Offer pursuant to Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.
- 21) As on the date of this DLOF, the Acquirers and the PAC are on the Board of Director of the Target Company.

B) Details of the proposed Offer:

1. The Public Announcement was made under Regulations 3(1) and 4 of the SEBI SAST Regulation, 2011 on Friday, February 07, 2025, by the Manager to the Offer on behalf of the Acquirers and the PAC and submitted to the Stock Exchange, to the registered office of the Target Company and filed with SEBI.
2. In accordance with Regulation 13(4) and Regulation 14(3) of the SEBI (SAST) Regulations, 2011, the Acquirers and the PAC have published the DPS on Friday, February 14, 2025, which appeared in the following newspapers:

| Sr. No. | Newspapers | Language | Editions |
|---------|-------------------|----------|-----------------|
| 1 | Financial Express | English | All editions |
| 2 | Jansatta | Hindi | All editions |
| 3 | Navshakti | Marathi | Mumbai Edition* |

**Being the regional language of Mumbai, where the Registered Office of the Target Company is located and the Stock Exchange where the equity shares of the Target Company are listed.*

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

3. This Offer is a mandatory open offer and is being made by the Acquirers and the PAC in compliance with Regulations 3(1) and 4 read with Regulation 15(1) and Regulation 13(2)(g) of the SEBI (SAST) Regulations, 2011, to the Public Shareholders of the Target Company, to acquire up to 9,60,000* (Nine Lakh Sixty Thousand) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each (“**Offer Shares**”), representing 100% (One Hundred Percent) shareholding of the Existing Voting Share capital of the Target Company (“**Offer Size**”), at an offer price of ₹ 70/- (Rupees Seventy only) inclusive of an interest @ 10% (Ten Percent) per annum (*for delay in making open offer*) i.e. ₹ 10^{\$}/- (Rupees Ten only), per Equity Share (“**Offer Price**”), subject to the terms and conditions mentioned in the Public Announcement and Detailed Public Statement (“DPS”) and to be set out in the Letter of Offer (“LoF”) that are proposed to be issued for the Offer in accordance with the SEBI (SAST) Regulations, 2011.
**Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital exceeds the existing public shareholding in the Target Company. Hence the Offer Size (as defined above) is considered as 100% (One Hundred Percent) of Existing Voting Share capital.*
^{\$}The interest is calculated @ 10% (Ten Percent) per annum for the period of 601 (Six hundred and one) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).
4. The Offer Price is payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
5. As on the date of this DLOF, except for the Convertible Warrants proposed to be issued pursuant to the proposed preferential issue, there are no: (i) partly paid Equity Shares; (ii) shares which are locked-in and (iii) outstanding convertible securities which are convertible into Equity Shares (such as depository receipts, fully convertible debentures, warrants, or employee stock options), issued by the Target Company.
6. This Open Offer is not conditional on any minimum level of acceptance and is not a competing offer in terms of Regulations 19 and 20 respectively of the SEBI (SAST) Regulations, 2011.
7. Further, there is no competing offer as on the date of this DLOF in terms of Regulation 20 of the SEBI (SAST) Regulations, 2011.
8. There is no differential pricing for Equity Shares under the Offer.
9. There are no conditions as stipulated in the SPA, the meeting of which would be outside the reasonable control of the Acquirers and the PAC, and in view of which the Offer might be withdrawn under Regulation 23(1) of the SEBI (SAST) Regulations, 2011.
10. The equity shares of the Target Company will be acquired by the Acquirers under this Offer as fully paid up, free from all lien, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
11. As on date of this Draft Letter of Offer, no statutory approvals are required in relation to this Offer except as detailed in Section VIII(B) of this Draft Letter of Offer. However, if any other statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such other statutory approvals. The Acquirers and the PAC will not proceed with the Offer in the event such statutory approvals are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which the DPS has been published and such public announcement will also be sent to SEBI, BSE and to the Target Company at its registered office.
12. The Manager to the Offer does not hold any equity shares in the Target Company as on the date of appointment as well as on the date of this DLOF. The Manager to the Offer further declares and undertakes that it shall not deal in the equity shares of the Target Company during the period commencing from the date of its appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.

13. As per Regulation 38 of the SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended, the Target Company is required to maintain minimum public shareholding, as determined in accordance with the Securities Contract (Regulation) Rules, 1957, as amended, on a continuous basis for listing. Upon completion of the Open Offer and the underlying Transactions, if the public shareholding of the Target Company falls below the minimum level of public shareholding as required to be maintained by the Target Company as per the SCRR and the SEBI (LODR) Regulations, the Acquirers and the PAC undertake to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the Securities Contract (Regulation) Rules, 1957, as amended, as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations, 2011 and/or the SEBI (LODR) Regulations, 2015, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% within 12 months from the date of such fall in the public shareholding to below 25%, through permitted routes and/or any other such routes as may be approved by SEBI from time to time.
14. If the Acquirer(s) and the PAC acquires equity shares of the Target Company during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer(s) and the PAC shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011, or pursuant to Delisting Regulations, or open market purchases made in the ordinary course on the stock exchange, not being negotiated acquisition of shares of the Target Company in any form.
15. The Acquirers and the PAC have not acquired any equity shares of the Target Company after the date of PA, i.e., Friday, February 07, 2025, and up to the date of this Draft Letter of Offer i.e. Monday, February 24, 2025. However, the acquirers have agreed to subscribe 2,60,32,167 (Two Crore Sixty Lakh Thirty Two Thousand One Hundred and Sixty Seven) Equity Shares out of which (1,15,67,208 (One Crore Fifteen Lakh Sixty Seven Thousand Two Hundred and Eight) to Acquirer 1 and 1,44,64,959 (One Crore Forty Four Lakh Sixty Four Thousand Nine Hundred and Fifty Nine) Equity Shares to Acquirer 2 and 48,00,000 (Forty Eight Lakh) warrants out of which (35,00,000 (Thirty Five Lakh) warrants to Acquirer 1 and 1,00,000 (One Lakh) warrants to Acquirer 2, in the proposed Preferential Issue, which will be kept in separate demat escrow account in accordance with Regulation 22(2A) of SEBI (SAST) Regulations, 2011. The equity shares will be allotted and will be kept in separate demat escrow account only after the approval of the shareholders and receipt of in-principle approval from BSE.
16. The Acquirers and the PAC shall disclose during the Offer Period any acquisitions made by the Acquirers and the PAC of any Equity Shares of the Target Company in the prescribed form, to each of the Stock Exchange and to the Target Company at its registered office within 24 (Twenty- Four) hours of such acquisition, in accordance with Regulation 18(6) of the SEBI SAST Regulations, 2011.

IV. OBJECT OF THE ACQUISITION/ OFFER

1. The primary objective of the Acquirers and the PAC for the above-mentioned acquisition is substantial acquisition of shares and voting rights in the Target Company. The Acquirers and the PAC may diversify its business activities in future into other line of business, however depending on the requirement and expediency of the business situation and subject to all applicable law, rule and regulations, the Board of Directors of the Target Company will take appropriate business decision from time to time in order to improve the performance of the Target Company.
2. The Acquirers and the PAC do not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of 2 (two) years except in the ordinary course of business. The Target Company's future policy for disposal of its assets, if any, within 2 (two) years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through special resolution passed by way of postal ballot in terms of Regulation 25(2) of SEBI (SAST) Regulations, 2011.
3. The Acquirers and the PAC have not formulated any proposal as on the date of this DLOF, which may have an adverse material impact on employees and location of place of business of the Target Company.

V. BACKGROUND OF THE ACQUIRERS AND THE PAC

1. Erramilli Venkatachalam Prasad (“Acquirer 1”)

- (i) Acquirer 1, an individual aged about 58 years, S/o Venkatachalam Sastry Erramilli, is having his residential address as 1133, Pragathi Nagar, Opp. JNTU, Nizampet, K.V., Rangareddy, Telangana, 500090 Tel: +91 9985511564; Email: prasad@cupidalcobev.com.
- (ii) Acquirer 1 has completed his Masters of Business Administration from University of Poona, Pune. He has over 30 years of experience in areas like steel manufacturing, product development and supply chain management. Acquirer 1 is currently in the brewery and distillery industry.
- (iii) The Net worth of Acquirer 1 as on December 31, 2024, is Rs. 270,58,99,097/- (Rupees Two Seventy Crore Fifty-Eight Lakh Ninety Nine Thousand Ninety Seven only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401, 4th Floor, Bhavya’s Splendid Towers, Red Hills, Lakdikapul, Hyderabad- 500004; Mobile Number: +91-9959100300; Email: gcsekharandco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMH8104.
- (iv) Name(s) of the Companies in which the Acquirer 1 is a promoter/holds Directorship/holds shareholding, the details of the same are as follows:

| Sr. No | Name of the Companies | Designation | Nature of Interest | Percentage (%) holding | Listing status |
|--------|--|--------------------------------|--------------------------|------------------------|----------------|
| 1. | Cupid Breweries and Distilleries Limited* | Chairman cum Managing Director | Managing Director | 0.00% | Listed on BSE |
| 2. | Forte Spirits Private Limited | Director | Director and Shareholder | 45.00% | Not Listed |
| 3. | Rinpoche Spirits Private Limited | Managing Director | Director and Shareholder | 70.00% | Not Listed |
| 4. | Arpeggio Industries Private Limited | Director | Director and Shareholder | 50.00% | Not Listed |
| 5. | Surakshaka Diabetic Centre Private Limited | Director | Director and Shareholder | 50.00% | Not Listed |
| 6. | Crochet Industries Private Limited | Director | Director and Shareholder | 20.00% | Not Listed |
| 7. | Sushma Ferro Alloys India Private Limited | Director | Director and Shareholder | 80.00% | Not Listed |
| 8. | Srilab Distilleries Limited | Director | Director and Shareholder | 73.88% | Not Listed |
| 9. | Brewing Wizards Private Limited | Director | Director | 0.00% | Not Listed |
| 10. | Srilab Spirits Private Limited | Director | Director and Shareholder | 84.09% | Not Listed |
| 11. | Srilab Alcobev Private Limited | Director | Director | 0.00% | Not Listed |

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

*As per the latest submissions made to BSE Limited (‘Stock Exchange’) by the Target Company, Acquirer 1 is disclosed as a part of Promoter and Promoter group category of the Target Company with a Nil shareholding. (Source: www.bseindia.com)

- (v) Except as mentioned in the point (iv) above, Acquirer 1 neither holds any directorships in any other listed entity nor holds any position as a whole-time director in any other company.

- (vi) Acquirer 1 does not hold any Equity Shares or voting rights in the Target Company as on the date of the PA and this DLOF.
- (vii) Acquirer 1 has not acquired any Equity Shares or voting rights of the Target Company between the date of the PA i.e., February 07, 2025, and the date of this DLOF. However, the Acquirer 1 has agreed to subscribe 1,15,67,208 (One Crore Fifteen Lakh Sixty Seven Thousand Two Hundred and Eight) Equity Shares and 35,00,000 (Thirty Five Lakh) warrants in the proposed Preferential Issue, which will be kept in a separate demat escrow account in accordance with Regulation 22(2A) of SEBI (SAST) Regulations, 2011.

2. Rodrigues Bhagvandas Lily (“Acquirer 2”)

- (i) Acquirer 2, an individual aged about 66 years, D/o Ambrose Rodrigues, is having her residential address as 1133, Pragathi Nagar, Opp. JNTU, Nizampet, K.V., Rangareddy, Telangana, 500090, Tel: +91 9652533211; Email: stocklilly9@gmail.com.
- (ii) Acquirer 2 has completed her Bachelor of Medicine and Bachelor of Surgery from Bangalore University, Bengaluru. She has over 37 years of experience in medical, health and diabetic care sectors.
- (iii) The Net worth of Acquirer 2 as on December 31, 2024, is Rs. 173,77,62,611/- (Rupees One Seventy-Three Crore Seventy-Seven Lakh Sixty-Two Thousand Six Hundred Eleven only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401, 4th Floor, Bhavya’s Splendid Towers, Red Hills, Lakdikapul, Hyderabad- 500004; Mobile Number: +91-9959100300; Email: gcsekharandco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMI7210.
- (iv) Name(s) of the Companies in which the Acquirer 2 is a Promoter/Directorship/holds shareholding, the details of the same are as follows:

| Sr. No | Name of the Company | Designation | Nature of Interest | Percentage (%) holding | Listing status |
|--------|--|--|--------------------------|------------------------|----------------|
| 1. | Cupid Breweries and Distilleries Limited* | Non-Executive – Non-Independent Director | Director | 0.00% | Listed on BSE |
| 2. | Srilab Spirits Private Limited | Director | Director and Shareholder | 11.19% | Not Listed |
| 3. | Rinpoche Spirits Private Limited | Director | Director and Shareholder | 30.00% | Not Listed |
| 4. | Arpeggio Industries Private Limited | Director | Director and Shareholder | 50.00% | Not Listed |
| 5. | Surakshaka Diabetic Centre Private Limited | Director | Director and Shareholder | 50.00% | Not Listed |
| 6. | Crochet Industries Private Limited | Director | Director and Shareholder | 28.86% | Not Listed |
| 7. | Sushma Ferro Alloys India Private Limited | Director | Director and Shareholder | 20.00% | Not Listed |

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

*As per the latest submissions made to BSE Limited (‘Stock Exchange’) by the Target Company, Acquirer 2 is disclosed as a part of Promoter and Promoter group category of the Target Company with a Nil shareholding. (Source: www.bseindia.com)

- (v) Except as mentioned in the point (iv) above, Acquirer 2 neither holds any directorships in any other listed entity nor holds any position as a whole-time director in any other company.
- (vi) Acquirer 2 does not hold any Equity Shares or voting rights in the Target Company as on the date of the PA and this DLOF.
- (vii) Acquirer 2 has not acquired any Equity Shares or voting rights of the Target Company between the date of the PA i.e., February 07, 2025, and the date of this DLOF. However, Acquirer 2 has agreed to subscribe to 1,44,64,959 (One Crore Forty Four Lakh Sixty Four Thousand Nine Hundred and Fifty Nine) Equity Shares and 1,00,000 (One Lakh) warrants in the proposed Preferential Issue, which will

be kept in a separate demat escrow account in accordance with Regulation 22(2A) of SEBI (SAST) Regulations, 2011.

3. Erramilli Rishab (“PAC”)

- (i) PAC, an individual aged about 22 years, S/o Erramilli Venkatachalam Prasad, is having his residential address as Plot No. 235/236, Flat No. 201, Venkat D Villa Apartments, Vivekananda Nagar Colony, Kukatpally, 500072 Tel: +91 7032826802; Email: rishabh2erramilli@gmail.com.
- (ii) The PAC has completed B.E Mechanical Engineering from Chaitanya Bharathi Institute of Technology, Hyderabad.
- (iii) Name(s) of the Companies in which the PAC is a promoter/holds Directorship/holds shareholding, the details of the same are as follows:

| Sr. No | Name of the Companies | Designation | Nature of Interest | Percentage (%) holding | Listing status |
|--------|---|--|--------------------|------------------------|----------------|
| 1. | Rinpoche Spirits Private Limited | Director | Director | 0.00% | Not Listed |
| 2. | Srilab Alcobev Private Limited | Director | Director | 0.00% | Not Listed |
| 3. | Cupid Breweries and Distilleries Limited* | Non-Executive-Non-Independent Director | Director | 0.00% | Listed on BSE |
| 4. | Srilab Distilleries Limited | Director | Director | 0.00% | Not Listed |
| 5. | Brewing Wizards Private Limited | Not Applicable | Shareholder | Negligible | Not Listed |

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

*As per the latest submissions made to BSE Limited (‘Stock Exchange’) by the Target Company, PAC is disclosed as a part of Promoter and Promoter group category of the Target Company with a Nil shareholding. (Source: www.bseindia.com)

- (iv) Except as mentioned in the point (iii) above, PAC neither holds any directorships in any other listed entity nor holds any position as a whole-time director in any other company.
- (v) PAC does not hold any Equity Shares or voting rights in the Target Company as on the date of the PA and this DLOF.
- (vi) PAC has not acquired any Equity Shares of the Target Company between the date of the PA i.e., February 07, 2025, and the date of this DLOF.
- (vii) PAC is neither acquiring any equity shares in the proposed Preferential Issue nor is he participating in the Open Offer.

4. As on date of this Draft Letter of Offer, the Acquirers and the PAC have confirmed, and declared that:

- (i) They do not belong to any group.
- (ii) Acquirers and the PAC are immediate relatives as defined under SEBI (SAST), Regulations, 2011. Acquirer 1 and Acquirer 2 are husband and wife, and the PAC is the son of Acquirer 1 and Acquirer 2.
- (iii) They are not prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (“SEBI Act”) or under any other Regulation made under the SEBI Act.
- (iv) They are not categorized as a “willful defaulter” in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011.
- (v) They are not declared as a “fugitive economic offender” under Section 12 of the Fugitive Economic Offenders Act, 2018.

- (vi) As on date of this DLOF, Erramilli Rishab is the PAC along with the Acquirers for the purpose of this Open Offer pursuant to Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations, 2011.
- (vii) There are no pending litigations pertaining to the securities market where they are made party to, as on the date of this DLOF.
- (viii) The Acquirers along with the PAC are on the Board of Directors of the Target Company.
- (ix) The Acquirers along with the PAC do not hold any shares in the Target Company.
- (x) The Acquirers along with the PAC undertake that they will not sell the equity shares of the Target Company, if any acquired by them during the Offer period in terms of regulation 25(4) of the SEBI (SAST) Regulations, 2011.
- (xi) The Acquirers, along with the PAC undertake that if they acquire any further Equity Shares of the Target Company during the Offer Period, they will inform the Stock Exchange and the Target Company within 24 (Twenty-Four) hours of such acquisitions.
- (xii) The Acquirers along with the PAC will not acquire or sell any Equity Shares of the Target Company during the period between 3 (three) working days prior to the commencement of the Tendering Period and until the expiry of the Tendering Period in accordance with Regulation 18(6) of the SEBI (SAST) Regulations, 2011.

5. Details of current and proposed Shareholding of the Acquirers and the PAC in the Target Company:

| Details | Acquirer 1 | Acquirer 2 | PAC |
|---|-------------------------------------|-------------------------------------|--------------------------------|
| | Number of Equity Shares and %* | Number of Equity Shares and %* | Number of Equity Shares and %* |
| Shareholding as of the date of PA | Nil 0.00% | Nil 0.00% | Nil 0.00% |
| Equity Shares/ Convertible Warrants agreed to be acquired under the said Proposed Preferential Issue | 1,50,67,208 ^{\$} 26.03% | 1,45,64,959 ^{\$} 25.16% | Nil [#] 0.00% |
| Equity Shares acquired between the PA date and the DLOF date | Nil 0.00% | Nil 0.00% | Nil 0.00% |
| Equity share proposed to be acquired in this Open offer (assuming full acceptance) | 9,60,000** 1.66% | | Nil [#] 0.00% |
| Post Offer Shareholding, as of 10th working day after closing of Tendering Period (assuming full acceptance under the Open Offer) | 3,05,92,167 52.85% | | Nil 0.00% |

* Computed as a percentage of Emerging Voting Share Capital of the Target Company.

**Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares which represent 100% (One Hundred Percent) of Existing Voting Share capital and 1.66% (One point Sixty Six Percent) of Emerging Voting Share Capital of the Target Company, respectively. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital exceeds the existing public shareholding in the Target Company. Hence the Offer Size (as defined above) is considered as 100% (One Hundred Percent) of Existing Voting Share capital.

^{\$}includes 35,00,000 Convertible warrants to be allotted to Acquirer 1 and 1,00,000 Convertible warrants to be allotted to Acquirer 2.

[#]PAC is not acquiring any equity shares pursuant to proposed preferential allotment and will also not acquire any equity shares tendered in this open offer.

VI. BACKGROUND OF THE TRANSFEROR COMPANY I.E. CROCHET INDUSTRIES PRIVATE LIMITED (“CIPL”)

- The Transferor Company was incorporated as a private company on October 25, 2019, under the provisions of Companies Act, 2013 as ‘Crochet Industries Private Limited’ vide Certificate of Incorporation dated October 25, 2019, issued by Registrar of Companies, Central Registration Center. The Corporate Identification Number (“CIN”) of Transferor Company is U14290OR2019PTC031918.
- The Registered Office of Transferor Company is Presently Situated at NH-5, Nandighosh Residency, 1st Floor, Flat No 4, Beach Road, Ganjam, Gopalpur, Orissa - 761002, India.
- The main objects of Transferor Company as per its MOA is in the business of manufacturing, traders, importer & exporter of Brewery, Distilleries, wineries, stevedoring, logistics, operations, smelters, minerals, metals & other related.

4. There are a total of 191 Shareholders in the Transferor Company as on the date of this DLOF.
5. The shareholding pattern of Transferor Company as on the date of this DLOF is as follows:

| Sr. No. | Shareholder's Category | No. of Shares held | Percentage (%) of shares held |
|--------------|------------------------|--------------------|-------------------------------|
| 1. | Promoter and Directors | 2,26,89,858 | 50.42 |
| 2. | Public Shareholders | 2,23,10,142 | 49.58 |
| Total | | 4,50,00,000 | 100 |

(Source: Shareholding Pattern of the Transferor Company dated February 24, 2025)

6. The Board of Directors of Transferor Company as on date of this DLOF is as follows:

| Sr No. | Name of Promoter | Designation | Date of Appointment |
|--------|-------------------------------------|-------------|---------------------|
| 1 | Erramilli Venkatachalam Prasad | Director | 25/10/2019 |
| 2 | Rodrigues Bhagvandas Lily | Director | 25/10/2019 |
| 3 | Sri Venkata Rajeswara Rao Samavedam | Director | 01/03/2024 |

(Source: www.mca.gov.in)

7. The Authorised Capital of Transferor Company is ₹ 45,00,00,000 (Rupees Forty Five Crore only) divided into 4,50,00,000 (Four Crore and Fifty Thousand) Equity Shares of Face Value of ₹ 10/- (Rupees Ten only) each. The Issued, Subscribed and Paid-up capital of CIPL is ₹ 45,00,00,000 (Rupees Forty Five Crore only) divided into 4,50,00,000 (Four Crore and Fifty Thousand) Equity Shares of Face Value of ₹ 10/- (Rupees Ten only) each.
8. The key financial information of the Transferor Company, as extracted from its auditor certified financial statements for nine months ended December 31, 2024 & audited financial statement, as at and for each of the 3 (three) financial year ended on March 31, 2024, March 31, 2023, and March 31, 2022, is as set out below:

(Figures in Lakhs)

| PROFIT AND LOSS STATEMENT | | | | |
|--|--|---|--------------|----------|
| Profit and Loss Statement | Auditor certified financial statements for the nine months ended December 31, 2024 | Audited Financial Statements for the Financial Year Ending March 31 | | |
| | | 2024 | 2023 | 2022* |
| I. Revenue from Operations | | | | |
| Gross Revenue | - | - | - | - |
| Other Operating Revenues | - | - | - | - |
| II. Other Income | 175.81 | 157.45 | 16.85 | - |
| Total Revenue (I+II) | 175.81 | 157.45 | 16.85 | - |
| IV. Expenses: | | | | |
| Cost of materials consumed | - | - | - | - |
| Purchase of Stock-in Trade | - | - | - | - |
| Changes in Inventories of finished goods, | - | - | - | - |
| Work-in-Progress and Stock-in Trade | - | - | - | - |
| Employee benefits expense | 156.21 | 120.47 | - | - |
| Finance Costs | 0.21 | 0.67 | - | - |
| Depreciation and amortization expense | - | - | - | - |
| Other Expenses | 16.68 | 33.30 | 3.82 | - |
| Total Expenses | 173.11 | 154.46 | 3.82 | - |
| V. Profit before exceptional and extraordinary items and tax | 2.7 | 2.99 | 13.02 | - |
| VI. Exceptional Items | - | - | - | - |
| VII. Profit before extraordinary items and tax | 2.7 | 2.99 | 13.02 | - |
| VIII. Extraordinary Items | - | - | - | - |

| | | | | |
|--|-----|------|-------|---|
| IX. Profit before tax | 2.7 | 2.99 | 13.02 | - |
| X. Tax Expense: | | | | |
| (1) Current Tax | - | - | - | - |
| (2) Deferred tax asset | - | - | - | - |
| (3) Tax for earlier years | - | - | - | - |
| XI. Profit (Loss) for the period from continuing operations | 2.7 | 2.99 | 13.02 | - |
| XII. Profit/(Loss) from discontinuing operations | 0 | - | - | - |
| XIII. Tax expense of discontinuing operations | 0 | - | - | - |
| XIV. Profit/(Loss) from discontinuing operations (after tax) | 0 | - | | - |
| XV. Profit/(Loss) for the period | 2.7 | 2.99 | 13.02 | - |

*The project initial construction/commission works started during the period the revenues will be registered upon commercial operations.

(Figures in Lakhs)

| BALANCE SHEET | | | | |
|--|--|---|-----------------|---------------|
| Balance Sheet Statement | Auditor certified financial statements for the nine months ended December 31, 2024 | Audited Financial Statements for the Financial Year Ending March 31 | | |
| | | 2024 | 2023 | 2022 |
| I. Equity and Liabilities | | | | |
| (1) Share Holder's Funds | | | | |
| (a) Share Capital | 4,500 | 320.00 | 1.00 | 1.00 |
| (b) Reserves & Surplus | 1,039.29 | 16.58 | 13.59 | 0.56 |
| (c) Money received against share Warrants | - | - | - | - |
| Total 1 | 5,539.29 | 336.58 | 14.59 | 1.56 |
| (2) Share Application Money Pending Allotment | - | - | - | - |
| Total 2 | - | - | - | - |
| (3) Non-current Liabilities | | | | |
| (a) Long Term Borrowings | 714.99 | 749.99 | 749.95 | - |
| (b) Deferred Tax Liabilities (Net) | - | - | - | - |
| (c) Other Long Term Borrowings | 66.43 | 89.80 | 328.64 | 165.02 |
| (d) Long Term Provisions | - | - | - | - |
| Total 3 | 781.42 | 839.79 | 1,078.60 | 165.02 |
| (4) Current Liabilities | | | | |
| (a) Short Term Borrowings | - | - | 7.50 | 2.00 |
| (b) Trade Payables | - | 50.87 | 2.65 | 11.58 |
| (c) Other Current Liabilities | 195.58 | 133.50 | 0.65 | 30.60 |
| (d) Short-Term provisions | - | - | - | - |
| Total 4 | 195.58 | 184.37 | 10.80 | 44.18 |
| Total (1+2+3+4) | 6,516.29 | 1,360.75 | 1,104.00 | 210.77 |
| II. Assets | | | | |
| (1) Non-Current Assets | | | | |
| (a) Fixed Assets | | | | |
| (i) Tangible Assets | 44.87 | 44.87 | 47.62 | 47.62 |
| (ii) Intangible Assets | - | - | - | - |
| (iii) Capital Work-in Progress | 1,481.51 | 1,179.35 | 996.70 | 42.20 |
| (iv) Intangible assets under development | - | - | - | - |
| (b) Non-current investments | 1,200 | - | - | - |

| | | | | |
|------------------------------------|-----------------|-----------------|-----------------|---------------|
| (c) Deferred tax assets (net) | - | - | - | - |
| (d) Long term loans and advances | 3,279.27 | - | - | - |
| (e) Other Non-current assets | 331.35 | - | - | - |
| Total 1 | 6,337.01 | 1,224.22 | 1,044.32 | 89.83 |
| (2) Current Assets | | | | |
| (a) Current Investments | - | - | - | - |
| (b) Inventories | - | - | - | - |
| (c) Trade Receivables | - | - | - | - |
| (d) Cash and Cash Equivalents | 1.28 | 0.78 | 0.67 | 0.35 |
| (e) Short-term loans and advances | 48.54 | 4.58 | 8.00 | 94.23 |
| (f) Other current assets | 129.46 | 131.15 | 50.99 | 26.34 |
| Total 2 | 179.28 | 136.52 | 59.67 | 120.94 |
| Total (1+2) | 6,516.29 | 1,360.75 | 1,104.00 | 210.77 |

Note: The financial information set forth above has been extracted from the data provided by the Transferor Company, for the nine months ended December 31, 2024, which has been certified by the Auditor, and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, which has been audited by the statutory auditors of the Target Company for the respective periods.

9. The Board of Directors of the Transferor Company, in their respective meetings held on February 07, 2025, has recorded the shareholder's consent for the same and have approved the Share Purchase Agreement, whereby the existing shareholders of Transferor Company will get Equity Shares of face value of Rs. 10/- (Rupees Ten only) each of the Target Company, through preferential allotment for their respective shareholding in Transferor Company based on the Valuation Report dated February 07, 2025, Registered Valuer Kalyanam Bhaskar of Valuer Kalyan & Co., (IBBI Registration No.: IBBI/RV/06/2020/12959).
10. Pursuant to the said acquisition, the target Company will acquire upto 100% stake in Crochet Industries Private Limited. Post completion of Offer, the Target Company proposes to make the Transferor Company its Wholly owned Subsidiary.
11. Confirmations by the Transferor Company:
 - (i) There has been no merger, demerger or spin-off during the last three years involving the Transferor Company.
 - (ii) The Transferor Company, its promoters and directors have not been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act. The Transferor Company are neither sick companies within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor are they under winding up.
 - (iii) As of the date of this DLOF, the Transferor Company directors are on the Board of Director of the Target Company.
 - (iv) As on date of this DLOF, the Transferor Company does not hold any Equity Shares of the Target Company and therefore compliance with Chapter V of the SEBI (SAST) Regulations, 2011 is not applicable.
 - (v) The Transferor Company undertakes that they will not sell the Equity Shares of the Target Company, if any held by them during the Offer Period in terms of Regulation 25(4) of the SEBI (SAST) Regulations, 2011.
 - (vi) The Transferor Company undertakes that they will not acquire any Equity Shares of the Target Company during the period between three working days prior to the commencement of the Tendering Period and until the closure of the Tendering Period as per the Regulation 18(6) of the SEBI (SAST) Regulations, 2011.

VII. BACKGROUND OF THE TARGET COMPANY CUPID BREWERIES AND DISTILLERIES LIMITED. (Formerly Known as Cupid Trades and Finance Limited)

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

1. The Target Company was incorporated as a public limited company under the provisions of Companies Act, 1956 as 'Cupid Trade and Finance Limited' vide Certificate of Incorporation dated June 27, 1985, issued by Registrar of Companies, Mumbai at Maharashtra. Subsequently, the name of the Target Company was changed to its present name, "Cupid Breweries and Distilleries Limited" vide fresh Certificate of Incorporation dated July 02, 2024, issued by Registrar of Companies, Mumbai at Maharashtra.
2. The Registered Office of the Target Company is presently situated at Block No. 2, Parekh Nagar, Near BMC Hospital, S V Road, Kandivali (West), Mumbai, Maharashtra, 400067, Tel No: +91-8097894999, Email: cs@cupidalcobev.com; Website: www.cupidalcobev.com
3. The Corporate Identification Number ("CIN") of the Target Company is L11010MH1985PLC036665.
4. The Target Company is in the business of IMFL (Indian Made Foreign Liquor) – Distilled, Potable Alcoholic Beverages – Whisky, Rum, Brandy, Gin, etc., Malt Spirit, Brewing Business as India is the World's third largest market, with continuous growth future. The Target Company does its business aggregating through Production Units, Outsourcing / Buying, the end products, acquisitions (partially / fully – through investments) existing licensed units that are in operation, making in- operative units operational, entering contracts / partnering with the units – identified upon careful due diligence on all fronts of business. The Target Company does buying, leasing, contracting, developing own brands (through 3rd parties / subsidiaries), to cater all segments of the markets of Pan India, as well as to grow as Global Player. With high-quality Products, targeting Multi-segments, across the Alcoholic Beverages, Spirits Range of Products & Markets.
5. As on date of this DLOF, the Authorized Share Capital of the Target Company is 1,00,00,000* (Rupees One Crore only) comprising of 10,00,000 (Ten Lakh) Equity Shares of face value of ₹ 10/- (Rupees Ten only) each. The Issued, Subscribed and Paid-up Share Capital of the Target is 96,00,000 (Rupees Ninety Six Lakh only) comprising of 9,60,000 (Nine Lakh Sixty Thousand) Equity share of face value of ₹ 10/- (Rupees Ten only) each. (Source: www.mca.gov.in)
**Subject to shareholders approval and alteration in Memorandum of Association of the Target Company, the Board of Directors of the Target Company at their meeting held on Friday, February 07, 2025, has passed a resolution to increase the authorised share capital of the Company from Rs. 1,00,00,000/- (Rupees One Crore only) divided into 10,00,000 Equity Shares of Rs. 10/- each to Rs. 63,00,00,000/- (Rupees Sixty Three Crore only) divided into 6,30,00,000 (Six Crore Thirty Lakh) equity shares of Rs. 10/- each.*
6. As on date of this DLOF, the Board of Directors of the Target Company comprises of the below mentioned persons:

| Sr.No | Name of the Director | Current Designation | DIN | Date of Appointment |
|-------|-------------------------------------|--|----------|---|
| 1 | Erramilli Prasad Venkatachalam | Chairman & Managing Director | 08171117 | Date of Initial Appointment - 09/10/2023 As Chairman & Managing Director from 14/05/2024 |
| 2 | Arpit Ashwinbhai Shah | Non - Executive Independent Director | 07499195 | 15/01/2024 |
| 3 | Bhagvandas Lily Rodrigues | Non-Executive – Non-Independent Director | 08226366 | 08/12/2023 |
| 4 | Ninad Maruti Dhuri | Non - Executive Independent Director | 09216629 | 05/07/2021 |
| 5 | Sri Venkata Rajeswara Rao Samavedam | Non-Executive – Non-Independent Director | 10347786 | 10/10/2023 |
| 6 | Erramilli Rishab | Non-Executive – Non-Independent Director | 10688381 | 28/06/2024 |

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

7. As on date of this DLOF, except for the Convertible Warrants proposed to be issued pursuant to the proposed preferential issue, there are no: (i) partly paid Equity Shares; (ii) shares which are locked-in and (iii) outstanding convertible securities which are convertible into Equity Shares (such as depository

receipts, fully convertible debentures, warrants, or employee stock options), issued by the Target Company.

8. Pursuant to BSE Notice No. 20150101-24 dated January 01, 2015, the Equity Shares of the Target Company were suspended w.e.f January 07, 2015, and Suspension of Trading in the securities of the Target Company was revoked w.e.f December 03, 2024, vide BSE Notice No. 20241128-1, dated November 28, 2024. Since the shares were suspended from trading during the relevant period, no shares were traded during the relevant period of December 01, 2022, to November 30, 2023. As on date of this DLOF, the equity shares of the Target Company are traded on the Exchanges.
(Source: <https://www.bseindia.com/markets/MarketInfo/NoticesCirculars.aspx?txtscripcd=512361>)
9. The Equity Shares of Target Company are presently listed only on BSE Limited ("BSE") (Scrip Code: 512361 and Scrip id: CUPIDALBV). The ISIN of Equity Shares of Target Company is INE108G01010. The marketable lot of Target Company is 1 (One). As on the date of this DLOF, the shares of the company are trading under Enhanced Surveillance Measure (ESM) stage 2. (Source: www.bseindia.com)
10. The Equity Shares of Target Company are not frequently traded on BSE, within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011. (Source: www.bseindia.com). (Further details provided in paragraph IV (Offer Price) below of this DLOF).
11. No merger / demerger / spin off have taken place in the Target Company during the last 3 (three) years.
12. Target Company has confirmed that neither the Company nor its promoters or directors are categorized as a willful defaulter in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations, 2011 or is a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
13. The share capital structure of the Target Company as of the date of this draft letter of offer is:

| Issued and Paid-up Equity Share of Target Company | Pre - Preferential Allotment | | ^Post - Preferential Allotment | |
|---|--|----------------------------------|--|----------------------------------|
| | Number of Equity Shares /Voting Rights | % of Equity Shares/Voting Rights | Number of Equity Shares /Voting Rights | % of Equity Shares/Voting Rights |
| Fully paid-up Equity Shares | 9,60,000 | 100 | 5,78,90,591* | 100 |
| Partly paid-up Equity Shares | Nil | Nil | Nil | Nil |
| Total paid-up Equity Shares | 9,60,000 | 100 | 5,78,90,591 | 100 |
| Total Voting Rights in Company | 9,60,000 | 100 | 5,78,90,591* | 100 |

*5,78,90,591 (Five Crore Seventy Eight Lakh Ninety Thousand Five Hundred and Ninety One) fully paid-up equity shares of the face value Rs. 10/- (Rupees Ten only) each of the Target Company assuming full conversion of 48,00,000 (Forty Eight Lakh) Convertible Warrants.

^ subject to approval of the shareholders and other regulatory approvals

14. The Acquirers and the PAC are on the Board of Director of the Target Company.
15. The key financial information of the Target Company, as extracted from its Unaudited limited reviewed financial statements for nine months ended December 31, 2024 & audited financial statement, as at and for each of the three (3) financial year ended on March 31, 2024, March 31, 2023, and March 31, 2022, is as set out below:

(Figures in Lakhs except EPS)

| PROFIT AND LOSS STATEMENT | | | | |
|-----------------------------|---|---|-------------|--------------|
| Profit & Loss Statement | Unaudited limited reviewed financial statements for the nine months ended December 31, 2024 | Audited Financial Statements for the Financial Year ending March 31 | | |
| | | 2024 | 2023 | 2022 |
| Revenue from Operations | 45.55 | - | 5.52 | 63.65 |
| Other income | 30.8 | 96.55 | 0.26 | 1.62 |
| Total revenue | 76.36 | 96.55 | 5.78 | 65.26 |
| (2) Expenses | | | | |
| Cost of materials consumed | - | - | - | - |
| Purchases of stock-in-trade | 28.23 | - | - | - |

| | | | | |
|--|--------------|---------------|----------------|----------------|
| Changes In inventories of finished goods (incl. stock in-trade) and work-in-progress | (4.76) | - | - | - |
| Operating Expenses | - | - | - | - |
| Employee benefit expenses | 0.014 | 13.21 | 12.25 | 60.07 |
| Sales, administration, and other expenses | - | - | - | - |
| Finance costs | 0.18 | 6.10 | 0.19 | 0.18 |
| Depreciation and amortization expense | - | - | 0.06 | - |
| Other Expense | 25.78 | 85.68 | 17.93 | 28.55 |
| Total expenses | 49.46 | 104.99 | 30.43 | 88.80 |
| Profit/ (loss) before tax | 26.89 | (8.44) | (24.65) | (23.54) |
| Tax expenses | - | 0.23 | 1.41 | - |
| Current Tax | - | - | - | - |
| Tax paid for earlier years | - | 0.23 | 1.41 | - |
| Deferred Tax | - | - | - | - |
| MAT Credit entitlement | - | - | - | - |
| Profit/(Loss) for the period from Continuing Operations | 26.89 | (8.88) | (26.07) | (23.54) |
| Other comprehensive income | | | | |
| (i) Items that will not be reclassified to profit or loss | - | - | - | - |
| (ii) Tax relating to items that will not be reclassified to profit or loss | - | - | - | - |
| Other Comprehensive Income for the year, net of tax | - | - | - | - |
| VIII. Total Comprehensive Income for the period (VII+VIII) | 26.89 | (8.67) | (26.06) | (23.54) |
| IX. Earning per equity share (face value of ₹ 10/- each) | | | | |
| (a) Basic (₹) | 3.00 | (0.93) | (2.71) | (2.45) |
| (b) Diluted (₹) | 3.00 | (0.93) | (2.71) | (2.45) |

(₹ in lakhs)

| BALANCE SHEET | | | | |
|-------------------------------|---|---|------|------|
| Balance Sheet Statement | Unaudited limited reviewed financial statements for the nine months ended December 31, 2024 | Audited Financial Statements for the Financial Year ending March 31 | | |
| | | 2024 | 2023 | 2022 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 1.36 | 0.16 | 0.37 | - |
| Capital work-in-progress | 47.19 | - | - | - |
| Right-of-use assets | - | - | - | - |
| Investment property | - | - | - | - |
| Other intangible assets | - | - | - | - |
| Goodwill on Business purchase | - | - | - | - |
| Financial assets | - | - | - | - |
| (i) Investments | 116.15 | - | - | - |
| (ii) Trade receivables | - | - | - | - |

| | | | | |
|--|----------------|-----------------|-----------------|----------------|
| (iii) Security deposit | - | - | - | - |
| (iv) Other financial assets | 58.86 | 99.53 | - | - |
| (g) Deferred tax assets (net) | - | - | - | - |
| (h) Income tax assets (net) - | - | - | - | - |
| (i) Other non-current assets | - | - | - | - |
| Total non-current assets | 223.57 | 99.69 | 0.37 | - |
| Current assets | | | | |
| Inventories | 4.76 | - | - | - |
| Financial assets | - | - | - | - |
| current Investments | - | - | - | - |
| Trade receivables | 61.12 | - | 1.37 | 16.82 |
| Cash and cash equivalents | 1.46 | 1.45 | 0.56 | 2.29 |
| Bank balances other than cash and cash equivalents | 7.26 | 0.82 | 0.01 | - |
| Loans | - | - | - | - |
| Other financial assets | - | - | - | - |
| Other current assets (Net) | 69.16 | 8.09 | 42.40 | 23.72 |
| Pre-Operative Expense | 217.54 | - | - | - |
| Total current assets | 361.32 | 10.36 | 44.34 | 42.83 |
| Total assets | 584.90 | 110.05 | 44.71 | 42.83 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity share capital | 96.00 | 96.00 | 96.00 | 96.00 |
| Other equity | (221.7) | (216.03) | (207.16) | (181.09) |
| Total Equity | (125.7) | (120.03) | (111.16) | (85.09) |
| Total equity Liabilities | | | | |
| Non-current liabilities | | | | |
| Financial liabilities | - | - | - | - |
| Borrowings | 567.98 | 216.03 | 59.19 | 41.65 |
| Lease liabilities | - | - | - | - |
| Long-term provisions | - | - | - | - |
| Other non-current liabilities | - | - | - | - |
| Total non-current liabilities | 442.28 | 95.99 | (51.97) | 41.65 |
| Current liabilities | | | | |
| Financial liabilities | | | | |
| Borrowings | - | - | - | - |
| Lease liabilities | - | - | - | - |
| Trade payables | 49.89 | 11.16 | 94.24 | 81.54 |
| total outstanding dues of micro and small enterprises | - | - | - | - |
| total outstanding dues of creditors other than micro and small enterprises | - | - | - | - |
| Other financial liabilities | - | - | - | - |
| Provisions | - | - | - | - |
| Other current liabilities | 60.16 | 2.89 | 2.44 | 4.73 |
| Total Current Liabilities | 110.05 | 14.06 | 96.68 | 86.27 |
| Total Equity and Liabilities | 552.34 | 110.05 | 44.71 | 42.83 |

| OTHER FINANCIAL DATA | | | | |
|----------------------|--|---|------|------|
| Other Financial Data | Unaudited financial statements for the nine months ended December, 31 2024 | Audited Financial Statements for the Financial Year ending March 31 | | |
| | | 2024 | 2023 | 2022 |
| Dividend (%) | Nil | Nil | Nil | Nil |

| | | | | |
|--------------------------|---------------|---------------|---------------|---------------|
| Earnings Per Share (₹) | Basic: (0.59) | Basic: (0.93) | Basic: (2.71) | Basic: (2.45) |
| Return on Net worth (%) | (21.39) | 7.40 | 23.45 | 27.66 |
| Book Value per share (₹) | (13.09) | (12.50) | (11.58) | (8.86) |

Note:

The financial information set forth above has been extracted from Target Company's unaudited limited reviewed financial statements as on and for nine months ended December 31, 2024 and for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, audited by the statutory auditors of the Target Company for the respective periods.

16. Pre and post-offer shareholding pattern of the Target Company is provided below:

| Shareholders' Category | Shareholding & voting rights prior to the agreement/ acquisition and Open Offer | | Shares/warrants/voting rights agreed to be acquired pursuant to allotment under Preferential Issue which triggered the SEBI (SAST) Regulations, 2011 | | Shares/warrants/ voting rights to be acquired in Open Offer (Assuming full acceptances) | | Shareholding / voting rights after the acquisition and Open Offer (Assuming full acceptances) | |
|--|---|------------------|--|------------------|---|------------------|---|------------------|
| | | | | | | | | |
| | (A) | | (B) | | (C) | | (D) = (A) + (B) + (C) | |
| | No. | % ⁽¹⁾ | No. | % ⁽²⁾ | No. | % ⁽²⁾ | No. | % ⁽²⁾ |
| (1) Promoter and Promoter Group | | | | | | | | |
| a. Parties to the Agreement | - | - | - | - | - | - | - | - |
| b. Promoters other than (a) above, excluding Acquirers | - | - | - | - | - | - | - | - |
| Total 1 (a+b) | - | - | - | - | - | - | - | - |
| (2) Acquirers and the PAC | | | | | | | | |
| a. Acquirer 1 | - | - | 1,50,67,208 ⁽³⁾ | 26.03 | 9,60,000 ⁽⁵⁾ | 1.66 | 3,05,92,167 | 52.85 |
| b. Acquirer 2 | - | - | 1,45,64,959 ⁽³⁾ | 25.16 | | | | |
| c. PAC ⁽⁴⁾ | - | - | NA | NA | NA | NA | NA | NA |
| Total 2 | - | - | 2,96,32,167 | 51.19 | 9,60,000⁽⁵⁾ | 1.66 | 3,05,92,167 | 52.85 |
| (3) Parties to agreement other than (1) | - | - | - | - | - | - | - | - |
| (4) Public | 9,60,000 | 100 | 2,72,98,424⁽⁶⁾ | 47.15 | (9,60,000) | (1.66) | 2,72,98,424 | 47.15 |
| Grand Total (1+2+3+4) | 9,60,000 | 100 | 5,69,30,591 | 98.34 | 0.00 | 0.00 | 5,78,90,591 | 100.00 |

Notes:

1. Calculated on the total Existing Voting share Capital of Target Company.
2. Calculated on the total Emerging Voting share Capital of Target Company.
3. includes 35,00,000 (Thirty Five Lakh) Convertible warrants to be allotted to Acquirer 1 and 1,00,000 (One Lakh) Convertible warrants to be allotted to Acquirer 2.
4. PAC is neither acquiring any equity shares in the proposed Preferential Issue nor is he participating in the Open Offer.
5. Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares which represent 100% (One Hundred Percent) of Existing Voting Share capital and 1.66% (One point Sixty Six Percent) of Emerging Voting Share Capital of the Target Company, respectively. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital exceeds the Existing Public Shareholding in the Target Company. Hence the Offer Size (as defined above) is considered as 100% (One Hundred Percent) of Existing Voting Share capital.
6. includes 6,00,000 (Six Lakh) Convertible warrants to be allotted to lender 3 and 6,00,000 (Six Lakh) Convertible warrants to be allotted to a public shareholder of the Transferor Company.

17. Pursuant to the loan agreement the Acquirers have already acquired control over the Target Company under Regulation 4 of SEBI (SAST) Regulations, 2011. Further pursuant to proposed preferential issue Acquirers will acquire substantial stake in the Target Company under Regulation 3(1) of the SEBI (SAST) Regulations, 2011. Post completion of the open offer formalities the acquirers and the PAC will be the promoters of the Target Company in accordance with the SEBI SAST Regulations, 2011. However, as per the latest submissions made to BSE Limited (Stock Exchange) by the Target Company, Acquirers and the PAC are disclosed as a part of Promoter and Promoter group category of the Target Company with a Nil shareholding. (Source: www.bseindia.com)

18. As per Regulation 38 of the SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended, the Target Company is required to maintain minimum public shareholding, as determined in accordance with the Securities Contract (Regulation) Rules,

1957, as amended, on a continuous basis for listing. Upon completion of the Open Offer and the underlying Transactions, if the public shareholding of the Target Company falls below the minimum level of public shareholding as required to be maintained by the Target Company as per the SCRR and the SEBI (LODR) Regulations, the Acquirers and the PAC undertake to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the Securities Contract (Regulation) Rules, 1957, as amended, as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations, 2011 and/or the SEBI (LODR) Regulations, 2015, within the time period stated therein, i.e., to bring down the non-public shareholding to 75% within 12 months from the date of such fall in the public shareholding to below 25%, through permitted routes and/or any other such routes as may be approved by SEBI from time to time.

19. Acquirers and the PAC have not acquired any equity shares of the Target Company after the date of PA till the date of this DLOF.
20. Target Company is not a sick company.
21. There have been no instances of Non-Compliance/delayed Compliance where the stock exchange/SEBI has levied fines against the Target Company under SEBI (LODR) Regulations, 2015, post revocation of trading of Target Company, i.e., post December 03, 2024.
22. As per the submissions made to BSE Limited ('Stock Exchange') by the Target Company, Acquirers and the PAC are disclosed as a part of Promoter and Promoter group category of the Target Company with a Nil holding, since acquirers and PAC does not and has never held shares of the Target Company, compliance with chapter V of SAST Regulations, 2011 is not applicable.
23. On May 30, 2024, target Company on Suo moto made an application to the Regional Director, Western Region Ministry of Corporate Affairs Mumbai ("**Regional Director Mumbai**"), for compounding of offence related to a delay of 132 days in conducting the Annual General meeting for the FY 2022-23 and for violating provisions of section 96 of the Companies Act, 2013. After considering the factors the Regional Director Mumbai issued an Interim Order dated December 23, 2024, imposing a Compounding fee of Rs. 1,00,000/- on Cupid Breweries and Distilleries Limited ('**applicant 1**') and Rs. 75,000/- on Erramilli Venkatachalam Prasad ('**applicant 2**') and Samavedam Sri Venkata Rajeswara Rao ('**applicant 3**') each ('applicant 1', 'applicant 2' and 'applicant 3' hereinafter refer to as "**applicants**"). Further the Regional Director Mumbai issued a final order dated February 07, 2025, confirming the payment made by the Applicants to the Regional Director Mumbai and further directed to take action in terms of Section 441(3)(d) of the Companies Act, 2013, if the prosecution for their offence has already been instituted.

IX. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A) JUSTIFICATION FOR THE OFFER PRICE

- 1) The Equity Shares of Target Company are presently listed only on BSE (Scrip Code: 512361 and Scrip id: CUPIDALBV). The ISIN of Equity Shares of Target Company is INE108G01010. The marketable lot of Target Company is 1. As on the date of this DLOF, the shares of the company are trading under Enhanced Surveillance Measure (ESM) stage 2. (Source: www.bseindia.com)
- 2) The trading turnover in the Equity Shares of the Target Company on BSE, during the twelve calendar months preceding the calendar month in which the public announcement was required to be made ("**Relevant Period**"), is as set out below:

| Date of Public Announcement | Relevant Period | Total no. of Equity Shares traded during the twelve calendar months prior to the month of PA | Total no. of listed Equity Shares | Annualized trading turnover (as % of Equity Shares listed) |
|--------------------------------|--|--|-----------------------------------|--|
| December 08, 2023 ^s | December 01, 2022, to November 30, 2023 (' Relevant Period 1 ') | Nil* | 9,60,000 | 0.00% |
| February 07, 2025 | February 01, 2024, to January 31, 2025 (' Relevant Period 2 ') | 81,494 | 9,60,000 | 8.48% |

**Pursuant to BSE Notice No.20150101-24 dated January 01, 2015, the Equity Shares of the Target Company were suspended w.e.f January 07, 2015, and the said Revocation of Suspension of Trading*

in the securities of the Target Company was done w.e.f December 03, 2024, vide BSE Notice No. 20241128-1, dated November 28, 2024. Hence no shares were traded during the relevant period of December 01, 2022, to November 30, 2023.

[§]Pursuant to Loan agreement, the Acquirers triggered the obligation to make an Open Offer on December 08, 2023[#] (Date when Public Announcement was required to be given), in terms of Regulation 4 of SEBI (SAST) Regulations, 2011.

[#]On December 08, 2023, the trading in equity share of target Company was suspended on the exchange, which got revoked w.e.f December 03, 2024.

(Source: www.bseindia.com)

- 3) Based on the above, the Equity Shares of Target Company are not frequently traded on BSE, within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011. (Source: www.bseindia.com).
- 4) The Offer Price of ₹ 70/- (Rupees Seventy only) inclusive of an interest @ 10% (Ten Percent) per annum (for delay in making open offer) i.e. ₹ 10*/- (Rupees Ten only), per Equity Share has been determined, in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, 2011, after considering the following:

**The interest is calculated @ 10% (Ten Percent) per annum for the period of 601 (Six hundred and One) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).*

| Sr. No. | Particulars | Price (in ₹ per Equity Share) | |
|---------|---|-------------------------------|------------------------|
| | | Relevant Period 1 | Relevant Period 2 |
| a) | The highest negotiated price per share of the Target Company for acquisition (Price to be payable in proposed preferential Issue by Acquirers) | Not Applicable | ₹ 60/- |
| b) | The volume-weighted average price paid or payable for acquisition, by the Acquirers, during the fifty-two weeks immediately preceding the date of PA; | Not Applicable | Not Applicable |
| c) | The highest price paid or payable for any acquisition, by the Acquirers, during the twenty-six weeks immediately preceding the date of PA | Not Applicable | Not Applicable |
| d) | The volume-weighted average market price of equity shares for a period of sixty trading days immediately preceding the date of the PA as traded on the BSE, being the stock exchange where the maximum volume of trading in the equity shares of the Target Company are recorded during such period | Not Applicable* | Not Applicable* |
| e) | Where the shares are not frequently traded, the price determined by the Acquirers and the Manager taking into account valuation parameters per Equity Share including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares | ₹ 10.00/- [§] | ₹ 57.27/- [#] |
| f) | The per equity share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, 2011, if applicable | Not Applicable [@] | |

[§]Kalyanam Bhaskar, Registered Valuer (IBBI Registration No. IBBI/RV/06/2020/12959), having office at 201, Rangaprasad Enclave, Vinayak Nagar, Gachibowli, Hyderabad, India - 500032; Contact No.: +91 40 46041927/ +91 9989800180; Email id: valuerkalyan@gmail.com, bhaskarkalyanam@gmail.com, vide valuation report dated February 07, 2024, has certified that and considered the (i) Net Asset Value method (NAV) (ii) Price Earning Capacity Value (PECV) method and (ii) Market quotes for shares traded for the purposes of arriving at fair value of equity shares of the Target Company. As per valuation report and in terms of SEBI (SAST) Regulations, 2011 the Fair Value of Equity Shares of the Target Company on December 08, 2023, was Rs. 10/- (Rupees Ten only) per Equity Share.

[#]Kalyanam Bhaskar, Registered Valuer (IBBI Registration No. IBBI/RV/06/2020/12959), having office at 201, Rangaprasad Enclave, Vinayak Nagar, Gachibowli, Hyderabad, India - 500032; Contact No.: +91 40 46041927/ +91 9989800180; Email id: valuerkalyan@gmail.com, bhaskarkalyanam@gmail.com, vide valuation report dated February 07, 2024, has certified and considered the (i) Net Asset Value method (NAV) (ii) Price Earning Capacity Value (PECV) method and (ii) Market quotes for shares traded for the purposes of arriving at fair value of equity shares of the Target Company. As per valuation report and in terms of SEBI (SAST) Regulations, 2011, the Fair Value of Equity Shares of the Target Company on February 04, 2025, is Rs. 57.27/- (Rupees Fifty Seven point Twenty Seven only) per Equity Share.

[@] Not applicable since the Offer is not pursuant to an indirect acquisition in terms of the SEBI (SAST) Regulations, 2011

**Not applicable as the Equity Shares are not frequently traded, within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011.*

5) Calculation of interest:

| Particulars | Calculation |
|--|--------------------------------|
| Price, highest of the prices as per Regulation 8(2) of the SEBI (SAST) Regulations, 2011 | ₹ 60/- |
| Interest | |
| Triggering Event | December 08, 2023 [#] |
| Last date considered for communicating the rejection/acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders for calculation of interest (<i>Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer</i>) | July 31, 2025 |
| Delayed Days | 601 |
| Rate of Interest | 10% |
| Interest, i.e. @10% per annum (₹) | ₹ 9.88/- |
| Total Offer Price (Price + Interest) rounded off to (₹) | ₹ 70/- |

The highest price as per Regulation 8 of SEBI (SAST) Regulations, 2011, including interest computed in accordance with Regulation 18(11A) is ₹ 9.88 (Rupees Nine Eighty Eight Paise only). However, the Acquirers and the PAC have agreed to pay an amount of ₹ 70/- (Rupees Seventy only), inclusive of an interest @ 10% per annum i.e. ₹ 10/- (Rupees Ten only), per Equity Share.*

**Considering the delay in making the public announcement the interest of ₹ 10*/- (Rupees Ten only) calculated for the period of 601 days starting from December 08, 2023, upto July 31, 2025. (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer)*

In view of the parameters considered and presented above, the Offer Price is higher than the highest of the amounts specified above. Therefore, in terms of Regulation 8(2) of SEBI (SAST) Regulations, the Offer Price of ₹ 70/- (Rupees Seventy only) per Equity Share is justified.

[#]On December 08, 2023, the trading in equity share of target Company was suspended on the exchange, which got revoked w.e.f December 03, 2024.

- 6) The Offer Price is higher than the highest of the amounts specified in table, in point 4 above. Therefore, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, 2011, the Offer Price is justified.
- 7) In view of the above parameters considered and in the opinion of the Acquirers along with PAC and Manager to the Offer, the Offer Price of Rs. 70/- (Rupees Seventy only) inclusive of an interest @10% (Ten Percent) per annum (for delay in making open offer) i.e. Rs. 10*/- (Rupees Ten only), per equity share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations, 2011.
**The interest is calculated @ 10% (Ten Percent) per annum for the period of 601 (Six hundred and One) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).*
- 8) Since the date of the Public Announcement and as on the date of this DLOF, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations, 2011. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split, etc. where the record date for effecting such corporate actions falls within 3 (three) Working Days prior to the commencement of Tendering Period of the Offer and Public Shareholders shall be notified in case of any revision in Offer Price and/or Offer Size.
- 9) There has been no revision in the Offer Price or to the size of this Offer as on the date of this DLOF.
- 10) An upward revision in the Offer Price or to the size of this Offer, if any, on account of competing offers or otherwise, will be done at any time prior to the commencement of the last one working day before the commencement of the tendering period of this Offer in accordance with Regulation 18(4) of the SEBI (SAST) Regulations, 2011. In the event of such revision, the Acquirers and the PAC shall (i) make corresponding increases to the escrow amounts, as more particularly set out in part V of this DLOF; (ii) make a public announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously with the issue of such announcement, inform SEBI, BSE and the Target Company at its registered office of such revision.
- 11) As on date of this DLOF, there is no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirers along with PAC will comply with all the provisions of the Regulation 18(5) of the SEBI (SAST) Regulations, 2011 which are required to be fulfilled for the said revision in the Offer Price or Offer Size.

- 12) In the event of acquisition of the Equity Shares by the Acquirers and the PAC during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price, then the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations, 2011. As per the proviso to Regulation 8(8) of the SEBI (SAST) Regulations, 2011, the Acquirer(s) and the PAC shall not acquire any Equity Shares after the 3rd (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
- 13) If the Acquirers and the PAC acquire Equity Shares of the Target Company during the period of twenty six weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer(s) and the PAC shall pay the difference between the highest acquisition price and the Offer Price to all the Public Shareholders whose Equity Shares have been accepted in the Offer within 60 (sixty) days from the date of such acquisition

B) FINANCIAL ARRANGEMENTS

1. The Total consideration for the Open Offer, assuming full acceptance under the offer, i.e. for the acquisition of 9,60,000* (Nine Lakh Sixty Thousand) Equity Shares, at the Offer Price of ₹ 70/- (Rupees Seventy only), inclusive of an interest @ 10% (Ten Percent) per annum (*for delay in making open offer*) i.e. ₹ 10\$/- (Rupees Ten only), per Equity Share is ₹ 6,72,00,000 (Rupees Six Crore Seventy Two Lakh only) (“**Offer Consideration**”).

**Public Shareholders hold 9,60,000 (Nine Lakh Sixty Thousand) Equity Shares. However, 26% (Twenty Six Percent) of the Emerging Voting Share Capital exceeds the existing public shareholding in the Target Company. Hence the Offer Size (as defined above) is considered as 100% (One Hundred Percent) of Existing Voting Share capital.*

\$The interest is calculated @ 10% (Ten Percent) per annum for the period of 601 (Six hundred and One) days starting from December 08, 2023, upto July 31, 2025 (Assuming date of payment to successful Public Shareholders who tender their Equity Shares in the Offer).

2. In accordance with Regulation 17(1) of the SEBI (SAST) Regulations, 2011, the Acquirers have opened an escrow cash account bearing Account No: 000405162498 (“**Escrow Cash Account**”) with ICICI Bank Limited a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered office at ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, 390 007, Gujarat, India and acting for the purpose of this agreement through its branch situated at ICICI Bank Limited, Capital Market Division, 163, 5th Floor, HT Parekh Marg, Backbay Reclamation, Churchgate, Mumbai – 400020 and made a cash deposit of ₹ 1,71,99,999/- (Rupees One Crore Seventy One Lakh Ninety Nine Thousand Nine Hundred and Ninety Nine only) in the Escrow Cash Account. The amount deposited in the escrow account is in compliance with the requirement of deposit of escrow amount as per Regulation 17 of SEBI (SAST) Regulation, 2011, i.e. more than 25% of the offer consideration payable to the Public Shareholders under this offer. The cash deposit has been confirmed by the Escrow Agent vide its letter dated February 13, 2025. Further a fixed deposit has been created against the aforesaid escrow amount and lien has been marked in favour of the Manager to the offer on the said fixed deposit.
3. The Manager to the Open Offer is duly authorized and empowered to realize the value of the Escrow Cash Account in terms of SEBI (SAST) Regulations, 2011.
4. The Liquid Asset of Erramilli Venkatachalam Prasad (“**Acquirer 1**”) as on December 31, 2024 is ₹ 26,041.99 Lakhs/- (Rupees Twenty Six Thousand and Forty One Lakhs and Ninety Nine Thousand only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401,4th floor, Bhavya’s splendid towers, Red Hills, Lakdikapul, Hyderabad-500004; Mobile Number: +91 9959100300; Email: gcsekharendco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMO7146.
5. The Liquid Assets of Rodrigues Bhagvandas Lily (“**Acquirer 2**”) as on December 31, 2024 is ₹ 16,257.62 Lakhs (Rupees Sixteen Thousand and Two Hundred Fifty Seven Lakhs and Sixty Two Thousand only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401,4th floor, Bhavya’s splendid towers, Red Hills, Lakdikapul, Hyderabad-500004; Mobile Number: +91 9959100300; Email: gcsekharendco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMN1607.
6. The Acquirers have confirmed that they have adequate financial resources to meet their obligations under the Open Offer and have made firm financial arrangements for financing the acquisition of the Offer Shares, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011.

7. Based on the above, Saffron Capital Advisors Private Limited, Manager to the Open Offer, is satisfied that firm arrangements have been put in place by the Acquirers to implement the Open Offer in full accordance with the SEBI (SAST) Regulations, 2011.
8. In case of any upward revision in the Offer Price or the size of this Offer, the value in cash of the Escrow amounts shall be computed on the revised consideration calculated at such revised offer price or offer size and any additional amounts required will be funded by the Acquirers, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, 2011.

X. TERMS AND CONDITIONS OF THE OFFER

1. The Tendering Period will commence on Monday, April 07, 2025, and will close on Wednesday, April 23, 2025
2. The Equity Shares offered under this Offer should be free from all lien, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.
3. This is not a Conditional Offer and there is no stipulation on any minimum level of acceptance.
4. The Identified Date for this Offer is Friday, March 21, 2025. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer.
5. The Target Company has signed agreements with Depositories for offering Shares in dematerialized form. The ISIN Number is **INE108G01010**. (Source: www.bseindia.com)
6. The Marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1(one). (Source: www.bseindia.com)
7. None of the Equity Shares of the Target Company are subject to any lock-in.
8. Locked-in Equity Shares, if any, may be tendered in the Open Offer and transferred to the Acquirers and the PAC subject to the continuation of the residual lock-in period in the hands of the Acquirer and the PAC, as may be permitted under applicable law. It is the sole responsibility of the seller to ensure that the locked-in Equity Shares are free from lock-in before such transfer to Acquirers and the PAC. The Manager to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.
9. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, 2011, the Public Shareholders who tender their equity shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
10. The Acquirers and the PAC, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
11. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the date of closure of the Tendering Period.

A) ELIGIBILITY FOR ACCEPTING THE OFFER

1. The Letter of Offer shall be mailed to all Eligible Shareholders/Beneficial Owners (except the Acquirers and the PAC and the Promoters) whose names appear in register of Target Company as on Friday, March 21, 2025, the Identified Date.
2. This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.

3. The Public Shareholders who have registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through electronic means. If Public Shareholders who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Registrar to the Offer at the address or email id mentioned on the cover page of the Letter of Offer by stating such Shareholder's name, address, number of Equity Shares held on Identified Date, client ID number, DP name / ID, beneficiary account number and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Public Shareholder. The Public Shareholders who have not registered their email ids with the Depositories / the Target Company shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.
4. All Public Shareholders holding the shares in dematerialized form are eligible to participate in this Open Offer at any time during the period from Offer Opening Date till the Offer Closing Date ("**Tendering Period**") for this Open Offer. Further, in accordance with the Frequently Asked Questions issued by SEBI, "FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting" dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, and BSE notice no 20200528-32 dated 28 May 2020, the shareholders holding securities in physical form are allowed to tender shares in the open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. The Public Announcement, the Detailed Public Statement, the Letter of Offer and the Form of Acceptance will also be available on the SEBI website: www.sebi.gov.in. In case of the non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, or the Form of Acceptance from the SEBI's website.
5. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Equity Shares are clear from all lien, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Open Offer, together with all the rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof and in accordance with the terms and conditions set forth in the PA, the DPS, the DLOF and as will be set out in the Letter of Offer, and the tendering of Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
6. The acceptance of this Offer by the Eligible Shareholders of Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
7. The acceptance of this Offer is entirely at the discretion of the Eligible Shareholder(s)/Beneficial owner(s) of Target Company.
8. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirers and the PAC in consultation with the Manager to the Offer.
9. The Acquirers and the PAC reserve the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period, in accordance with the SEBI (SAST) Regulations, 2011 and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirer and the PAC would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the DPS and the Letter of Offer.
10. For any assistance, please contact the Manager to the Offer or the Registrar to the Offer.

B) STATUTORY AND OTHER APPROVALS

1. As on the date of this DLOF, except for the approval of BSE in accordance with Regulation 28 of SEBI (LODR) Regulations, 2015 in respect of proposed preferential issue, there are no statutory or other approvals required to complete the underlying transactions and the Open Offer. However, if any statutory or other approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory or other approvals and the Acquirers, and the PAC shall make the necessary applications for such approvals.
2. All Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals/consents required, if any, to tender the Offer Shares (including without limitation, the

approval from the RBI held by them), in the Offer and submit such approvals, along with the other documents required to accept this Offer. If the holders of the Equity Shares who are persons resident outside India (including OCBs, FIIs/FPIs and NRIs) has required or had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them. Further, such non-resident holders of the Equity Shares, if any, must also obtain all requisite approvals/exemptions required (including without limitation, the approval from the RBI), if any, to tender the Equity Shares held by them in this Offer and submit such approvals/exemptions along with the documents required to accept this Offer. If the aforementioned documents are not submitted, the Acquirers and the PAC reserves the right to reject such Equity Shares tendered in this Offer. The Shareholders should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

3. Where any statutory or other approval extends to some but not all of the Shareholders, the Acquirers and the PAC shall have the option to make payment to such Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
4. Subject to the receipt of the statutory and other approvals, if any, the Acquirers and the PAC shall complete payment of consideration within 10 (ten) Working Days from the closure of the Tendering Period to those Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirers and the PAC.
5. In case of delay/non-receipt of any statutory and other approvals, if any, as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011, SEBI may, if satisfied, that the non-receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirer and the PAC to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirers and the PAC to the Shareholders at such rate, as may be prescribed by SEBI from time to time, in accordance with Regulations 18(11) and 18(11A) of the SEBI (SAST) Regulations, 2011.
6. In terms of Regulation 23 of the SEBI (SAST) Regulations, 2011, in the event that the approvals specified in paragraph VIII (B) (Statutory and Other Approvals) of this DLOF or those which become applicable prior to completion of the Open Offer are not received, for reasons outside the reasonable control of the Acquirers and the PAC, then the Acquirers and the PAC shall have the right to withdraw the Open Offer. The following conditions under which the Acquirers and the PAC can withdraw the Open Offer, as provided in Regulation 23(1) of the SEBI (SAST) Regulations, 2011 are:
 - (i) statutory approvals required for the open offer or for effecting the acquisitions attracting the obligation to make an open offer under these regulations having been finally refused, subject to such requirements for approval having been specifically disclosed in the detailed public statement and the letter of offer;
 - (ii) the acquirer and the PAC, being a natural person, has died;
 - (iii) any condition stipulated in the agreement for acquisition attracting the obligation to make the open offer is not met for reasons outside the reasonable control of the acquirer and the PAC, and such agreement is rescinded, subject to such conditions having been specifically disclosed in the detailed public statement and the letter of offer, provided that an acquirer and the PAC shall not withdraw an open offer pursuant to a public announcement made under clause (g) of sub-regulation (2) of regulation 13, even if the proposed acquisition through the preferential issue is not successful.; or
 - (iv) such circumstances as in the opinion of the Board, merit withdrawal.

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

XI. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. All the Public Shareholders, registered or unregistered, holding the shares in dematerialized form or physical form, are eligible to participate in this Open Offer at any time during the Tendering Period for this Open Offer. Please refer to Paragraph 2 below for details in relation to tendering of Offer Shares held in physical form.
2. As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and SEBI's press release dated December 3, 2018,

bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 01, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations, 2011.

3. The Shareholders who wish to offer their physical Equity Shares in the Offer are requested to send their original documents as will be mentioned in the LOF to the Registrar to the Offer so as to reach them no later than the Offer Closing Date. It is advisable to first email scanned copies of the original documents as will be mentioned in the DLOF to the Registrar to the Offer and then send physical copies to the address of the Registrar to the Offer as will be provided in the LOF. The process for tendering the Offer Shares by the Public Shareholders holding physical Equity Shares will be separately enumerated in the DLOF.
4. The Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date i.e., the date falling on the 10th (tenth) Working Day prior to the commencement of Tendering Period, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer. Accidental omission to send the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way.
5. The Open Offer will be implemented by the Acquirers and the PAC through Stock Exchange Mechanism made available by BSE Limited (BSE) in the form of separate window (Acquisition Window) as provided under the SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.
6. BSE shall be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.
7. The Registrar to the Offer would be accepting the documents by Hand delivery/Registered Post/Speed Post/Courier at the following specified center:

| Name and Address of the entities (registrar) to whom the shares should be sent including name of the contact person, telephone no., fax no. and email address etc. | Working days and timings | Mode of delivery |
|---|---|--|
| Cameo Corporate Services Limited Subramanian Building, No. 1, Club House Road, Chennai- 600002, Tamil Nadu, India Tel: +91 44 4002 0700; E-mail: priya@cameoindia.com ; Investor Grievance: investor@cameoindia.com ; Website: www.cameoindia.com ; SEBI Registration No.: INR000003753 Validity: Permanent Contact Person: Sreepriya K | Any working day (i.e., Monday to Friday and not being a bank holiday) between 10:30 a.m. to 5:00 p.m. | Hand Delivery/ Registered Post/Speed Post /Courier |

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

| | |
|------------------------------------|--|
| Name | Choice Equity Broking Private Limited |
| Address | Sunil Patodia Tower, J B Nagar, Andheri (East), Mumbai-400099, Maharashtra, India; |
| Contact Person: | Jeetender Joshi |
| Telephone | 022-67079832 |
| E-mail id | jeetender.joshi@choiceindia.com |
| Website | www.choiceindia.com |
| Investor Grievance Email id | ig@choiceindia.com |
| SEBI Registration No. | INZ000160131 |

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

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

Procedure for tendering Equity Shares held in dematerialised form.

1. The Public Shareholders who are holding Equity Shares in dematerialized form and who desire to tender their Equity Shares in dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer. The Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
2. The Public Shareholders shall tender their Equity Shares only through a broker with whom such shareholder is registered as client (KYC compliant)

3. In the event Selling Broker(s) are not registered with BSE or if the Public Shareholder does not have any stock broker, that Public Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code (“UCC”) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. The Public Shareholder approaching BSE registered stock broker (with whom it does not have an account) may have to submit following details:

In case of Shareholder being an individual

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

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

If Shareholder is not registered with KRA: Forms required:

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

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

In case of Shareholder is HUF:

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

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

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

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

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

In case of Shareholder other than Individual and HUF:

(a) If Shareholder is KRA registered: Form required

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

If Shareholder is not KRA registered: Forms required:

- i. KRA form
- ii. Know Your Client (KYC) form Documents required (all documents certified true copy):
PAN card copy of company/ firm/trust
Address proof of company/ firm/trust
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)
- iv. FATCA, IPV, OSV if applicable
- v. Latest list of directors/authorized signatories /partners/trustees
- vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees
- vii. Latest shareholding pattern
- viii. Board resolution/partnership declaration

- ix. Details of ultimate beneficial owner along with PAN card and address proof
- x. Last 2 years financial statements
- xi. MOA/Partnership deed /trust deed

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

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

4. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of BSE. Before placing the order/bid, the Public Shareholder would be required to make early pay-in as per the mechanism prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker. As provided under the SEBI (SAST) Regulations and Chapter 4 of the Master Circular for Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023, a lien shall be marked against the shares of the shareholders participating in the tender offers. Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the Public Shareholders. The lien marked against unaccepted shares shall be released. The detailed procedure for tendering and settlement of shares under the revised mechanism is specified in the annexure to the said circular. All other procedures shall remain unchanged. The shareholders are advised to refer to the above circular of SEBI for the placing of orders.
5. Upon placing the order, the Selling Broker shall provide TRS generated by the Stock Exchange bidding system to the holder of the Equity shares. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, No. of Equity Shares tendered etc.
6. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.
7. Eligible Shareholders shall submit Delivery Instruction Slips (“DIS”) duly filled in specifying market type as “**Open Offer**” and execution date along with all other details to their respective depository participant / Selling Broker so that Equity Shares can be tendered in this Offer.
8. The Eligible Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated Offer.
9. **The Eligible Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum Acknowledgement.** The Eligible Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of the Offer Period.
10. The details of the settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchange / Clearing Corporation, before the opening of the Offer.
11. The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
12. Modification/cancellation of orders will not be allowed during the Tendering Period of the Offer.
13. The reporting requirements for non-resident shareholders under the Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Public Shareholder and/ or their Selling Broker.

Procedure for tendering Equity Shares held in Physical form.

1. In accordance with the Frequently Asked Questions issued by SEBI, “FAQs - Tendering of physical shares in buyback offer/ open offer/ exit offer/delisting” dated February 20, 2020, SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, and BSE notice no 20200528-32 dated 28

May 2020, shareholders holding securities in physical form are allowed to tender shares in open offer. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations, 2011. The Eligible Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Broker and submit complete set of documents for verification procedure as mentioned below:

- a. Form of Acceptance cum Acknowledgment duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.
- b. Original share certificate(s).
- c. Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
- d. Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors).
- e. Attestation of signature(s) of all the holder(s) by Bankers in form ISR-2 (can be downloaded online https://www.sebi.gov.in/sebi_data/commndocs/nov-2021/Form%20ISR-2_p.pdf)
- f. Any other relevant document such as power of attorney, corporate authorization (including board resolution/ specimen signature); and

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

2. Based on these documents, the Selling Broker shall place the bid on behalf of the Eligible Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of BSE. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip ("**TRS**") generated by the BSE bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, share certificate number, distinctive number of Equity Shares tendered etc.
3. After placement of the order, the Selling Broker(s)/ Eligible Shareholders must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other required documents either by registered post / speed post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page within 2 (two) days of bidding by the Selling Broker and not later than 2 (two) days from the Offer Closing Date (by 5 PM IST). The envelope should be superscribed as "**CUPID BREWERIES AND DISTILLERIES LIMITED- OPEN OFFER**". One copy of the TRS will be retained by the Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
4. The Public Shareholders holding shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the shares by the Acquirer and the PAC shall be subject to verification of documents. The Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and until such time as the BSE shall display such orders as 'unconfirmed 'physical bids'. Once the Registrar to the Offer confirms the orders it will be treated as 'confirmed bids'. Orders of Public Shareholders whose original share certificate(s) and other documents along with TRS are not received by the Registrar to the Offer 2 (Two) days after the Offer Closing Date shall be liable to get rejected.
5. In case any person has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Offer before Offer Closing Date. i.e. Wednesday, April 23, 2025 or else their application will be rejected.
6. All the documents mentioned above shall be enclosed with the Form of Acceptance, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Form of Acceptance instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance and Form SH-4 does not match as per the specimen signature recorded with Target Company / registrar of the Target Company and/or form ISR2 is not submitted.

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

Acceptance of Equity Shares

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

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

1. Eligible Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date i.e. Friday, March 21, 2025, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
2. **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum Acknowledgment.
3. The LOF along with a Form of Acceptance, will be dispatched to all the Public Shareholders of the Target Company (through electronic mode or physical mode), whose names appear on the register of members of the Target Company and to the beneficial owners of the Target Company in dematerialized form or physical form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date i.e. Friday, March 21, 2025 to the Offer.
4. **In case the Equity Shares are in Physical form:** An Eligible Persons may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, DPS and the Letter of Offer. Equity Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in this Letter of Offer) should reach the Registrar of the Company within 2 (two) days from the Closing Date..
5. **In case of non-receipt of the Letter of Offer, such Eligible Shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.** The Letter of Offer along with the Form of Acceptance cum Acknowledgment (FOA) would also be available at SEBI's website, (www.sebi.gov.in), and Eligible Shareholders can also apply by downloading such forms from the said website.
6. Alternatively, in case of non-receipt of the LOF, the Public Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all

Shareholder(s), stating name, address, number of shares held, client identification number, depository participant name, depository participant identification number, number of shares tendered, and other relevant documents as mentioned. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by the Stock Exchange before the closure of the Tendering Period.

Settlement Process

1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to the Designated Stock Exchange to facilitate settlement on the basis of the Equity Shares transferred to the Clearing Corporation.
2. The settlement of trades will be carried out in a manner similar to settlement of trades in the Acquisition Window Circulars.
3. The Buying Broker will make the funds pay-in in the settlement account of the Clearing Corporation. For Equity Shares accepted under the Offer, the Eligible Shareholders will receive funds payout directly in their respective bank accounts (in case of demat Equity Shares, in the bank accounts which are linked to the respective demat accounts) / as per secondary market pay-out mechanism (in case of physical Equity Shares). However, if the pay-outs are rejected by the Eligible Shareholder's bank accounts due to any reason, the pay-out will be transferred to their respective Selling Broker's settlement accounts and their respective Selling Brokers will thereafter transfer the consideration to their respective Eligible Shareholders. The Eligible Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
4. The funds payout pertaining to the bids of NRIs, foreign shareholders and/or bids confirmed by custodians, will be transferred to the Selling Broker's settlement accounts or the settlement bank account of the custodian, in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
5. The Public Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of the Equity Shares tendered under the Offer.
6. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation. Any excess physical Equity Shares pursuant to proportionate acceptance/ rejection will be returned to the Equity Shareholders directly by the Registrar.
7. The direct credit of Equity Shares will be given to the demat account of Acquirer as indicated by the Buying Broker.
8. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirer.
9. Any excess physical shares, to the extent tendered but not accepted, will be returned by registered post back to the Shareholder(s) directly by Registrar to the Offer.
10. Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer.
11. In the event of partial or non-acceptance of orders the balance demat Equity Shares will be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares will be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
12. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Shareholders'/ unregistered owners' sole risk to the sole/ first Shareholder/ unregistered owner. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in an event the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form.

13. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases / attachment orders / restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
14. If Public Shareholders' bank account details are not available or if the fund transfer instruction is rejected by the RBI or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Eligible Shareholder.
15. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Target Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
16. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer and the PAC for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to Acquirers and the PAC agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

XII. NOTE ON TAXATION

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

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

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

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

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

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

THE SUMMARY ON TAX CONSIDERATIONS IN THIS SECTION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE

DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES. THE LAW STATED BELOW IS AS PER THE IT ACT.

GENERAL

- a) As the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to STT. STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% of the value of security transacted.
- b) The basis of charge of Indian Income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act.
- c) A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e., income which is received or deemed to be received or accrues or arises or deemed to accrue or arise in India). In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- d) Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.
- e) Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the MLI as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of GAAR and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- f) The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- g) The shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income tax authorities, reporting their income for the relevant year.
- h) The summary of income-tax implications on tendering of listed Equity Shares on the recognised stock exchange in India is set out in the succeeding paras. All references to Equity Shares herein refer to listed Equity Shares unless stated otherwise.

Classification of Shareholders

Public Shareholders can be classified under the following categories:

Resident Shareholders being:

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

Non-Resident Shareholders being:

- 1. Non-Resident Indians ("NRIs")
- 2. Foreign Institution Investors (FIIs)/ Foreign Portfolio Investors (FPIs)
- 3. Others:
 - a. Company

- b. Other than company

Classification of Shares:

Shares can be classified under the following two categories:

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

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

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

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

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

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

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

b) Similarly, where Equity Shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“**LTCG**”).

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

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

- a) As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding 1,25,000 (Rupees one lakh Twenty Five Thousand) will be taxed at a rate of 12.5% (twelve point five) percent without allowing benefit of indexation for resident shareholders and at a rate of 12.5% (twelve point five) percent without allowing benefit of indexation and foreign exchange fluctuation for non-resident shareholders, provided the same has been subjected to STT, upon acquisition and sale.
If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by CBDT vide Notification No. 60/2018 dated October 1, 2018 in order to get benefit of taxation at 10% (ten percent) under Section 112A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.
- b) LTCG that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018 as per Section 55 of IT Act.
For computing capital gains under the grandfathering regime, the cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.
- c) LTCG, as computed u/s. 112A, will not be liable to tax to the extent not exceeding ₹ 1,25,000 (Rupees One lakh Twenty Five Thousand only).
- d) Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the Equity Shares):

- i. LTCG will be chargeable to tax at the rate of 20% (plus applicable surcharge and health and education cess) or 12.5% (plus applicable surcharge and health and education cess) without allowing benefit of indexation, in the case of a non-resident Public Shareholder (other than a FPI/FIL, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
 - ii. In the case of FIIs/FPIs, LTCG would be taxable at 12.5% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
 - iii. For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 12.5% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost shall not be available.
 - iv. For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 12.5% (plus applicable surcharge and health and education cess) without indexation. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG.
 - v. Long term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.
- e) As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @ 20% under section 111A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
 - f) In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.
 - g) Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 20%.
 - h) As per Section 70 of the IT Act, short term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
 - i) Non-resident shareholder can avail benefits of the DTAA between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed under the relevant DTAA read with MLI as may be in effect, and non-applicability of GAAR and providing and maintaining necessary information and documents as prescribed under the IT Act.
 - j) As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

Investment Funds

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

Mutual Funds

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

Shares held as Stock-in-Trade:

a) If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession.”

b) Resident Shareholders

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

Profits of:

c) **Non-Resident Shareholders:** Non-resident shareholders can avail beneficial provisions of the applicable DTAA, read with the MLI, entered into between India and the respective country of which the said shareholder is tax resident, subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

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

- ii. For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.
- iii. For foreign companies, profits would be taxed in India @ 40%.
- iv. For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

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

e) **Other Matters:** Further, the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders (other than resident company which has opted for concessional tax regime under Section 115BAA or Section 115BAB of the IT Act). Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India under Sections 90/90A of the IT Act and such foreign company does not have a permanent establishment in India in terms of the DTAA. In case where the said conditions are not satisfied, MAT will be applicable to the foreign company. In case of non-corporate shareholders, applicability of the provisions of Alternative Minimum Tax as per Section 115JC of the IT Act will also need to be analysed depending on the facts of each case.

Tax Deduction at Source

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

b) Non-Resident Shareholders:

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

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

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

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

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

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

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

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

Remittance/Payment of Interest:

a) In case of interest, if any, paid by the Acquirer and the PAC to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer and the PAC depending on the settlement mechanism for such interest payments. In the event, the Acquirer and the PAC decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer and the PAC. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorization of the interest, whether as capital gains or as other income). In the event the Acquirer and the PAC is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer and the PAC should be indemnified.

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

Rate of Surcharge and Cess:

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

Surcharge:

i. In case of domestic companies:

Surcharge @ 12% is leviable where the total income exceeds ₹ 10 crore and @ 7% where the total income exceeds ₹ 1 crore but less than ₹ 10 crore for companies not opting for tax regime u/s. 115BAA and 115BAB. In case of domestic companies which are liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable

ii. In case of companies other than domestic companies:

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

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

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

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

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

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

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

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

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

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

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

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

XIII. DOCUMENTS FOR INSPECTION

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

The Public Shareholders interested to inspect any of the following documents can send an email from their registered email ids (including shareholding details and authority letter in the event the Public Shareholder is a corporate body) with a subject line [**“Documents for Inspection – CUPID BREWERIES AND DISTILLERIES LIMITED Open Offer”**], to the Manager to the Open Offer at openoffers@saffronadvisor.com; and upon receipt and processing of the received request, access can be provided to the respective Public Shareholders for electronic inspection of documents.

1. Certificate of Incorporation, Memorandum and Articles of Association of Target Company.
2. Copy of the Net worth of Erramilli Venkatachalam Prasad (“**Acquirer 1**”) as on December 31, 2024 is ₹ Rs. 270,58,99,097/- (Rupees Two Seventy Crore Fifty-Eight Lakh Ninety Nine Thousand Ninety Seven only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401,4th floor, Bhavya’s Splendid Towers, Red Hills, Lakdikapul, Hyderabad-500004; Mobile Number: +91-9959100300; Email: gcsekharandco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMH8104.
3. Copy of the Net worth of Rodrigues Bhagvandas Lily (“**Acquirer 2**”) as on December 31, 2024, is ₹ 173,77,62,611/- (Rupees One Seventy-Three Crore Seventy-Seven Lakh Sixty-Two Thousand Six Hundred Eleven only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401,4th floor, Bhavya’s splendid towers, Red Hills, Lakdikapul, Hyderabad-500004; Mobile Number: +91-9959100300; Email: gcsekharandco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMI7210.
4. Copy of Liquid Asset of Erramilli Venkatachalam Prasad (“**Acquirer 1**”) as on December 31, 2024 is ₹ 26,041.99 Lakhs/- (Rupees Twenty Six Thousand and Forty One Lakh and Ninety Nine Thousand only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401,4th floor, Bhavya’s

splendid towers, Red Hills, Lakdikapul, Hyderabad-500004; Mobile Number: +91 9959100300; Email: gcsekharandco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMO7146.

5. Copy of Liquid Assets of Rodrigues Bhagvandas Lily (“**Acquirer 2**”) as on December 31, 2024 is ₹ 16,257.62 Lakhs (Rupees Sixteen Thousand and Two Hundred Fifty Seven Lakh and Sixty Two Thousand only) as certified by CA G. Chandra Sekhar (Membership No. 214134), Partner of G. Chandra Sekhar & Company, Firm registration Number: 012281S, having their office at Flat no 401, 4th floor, Bhavya’s splendid towers, Red Hills, Lakdikapul, Hyderabad-500004; Mobile Number: +91 9959100300; Email: gcsekharandco@gmail.com; vide certificate dated January 18, 2025, bearing Unique Document Identification Number (UDIN) – 25214134BMHIMN1607.
6. Copies of annual reports of the Target Company for the financial years ending March 31, 2024, March 31, 2023, and March 31, 2022.
7. Copy of Unaudited limited reviewed financial statements of Target Company for the nine month ended December 31, 2024.
8. Copy of Escrow Agreement dated February 07, 2025, between the Acquirers, Manager to the Offer and Escrow Bank.
9. Copy of letter dated February 13, 2025, from the Escrow Bank, confirming the amount kept in the Escrow Account and a lien in favour of the Manager to the offer.
10. Copy of Share Purchase Agreement dated February 07, 2025, executed between the Acquirers and Transferor Company and the Target Company.
11. Copy of loan agreement dated December 08, 2023, entered into between Acquirer 1, Acquirer 2 and Samavedam Sri Venkata Rajeswara Rao (‘Lender 3’) (collectively referred to as “lenders”) and the Target Company.
12. Special Power of Attorney dated February 06, 2025, issued by Erramilli Venkatachalam Prasad (Acquirer 1) in the favour of Rodrigues Bhagvandas Lily (Acquirer 2).
13. Copy of Public Announcement dated February 07, 2025, published copy of the Detailed Public Statement dated February 13, 2025.
14. Observation letter bearing reference number [●] dated [●] received from SEBI.
15. Copy of the recommendation made by the Target Company’s committee of independent directors constituted by the Board of Directors published in the newspapers;

XIV. DECLARATION BY THE ACQUIRERS AND THE PAC

For the purpose of disclosures in this Letter of Offer relating to the Target Company the Acquirers and the PAC have relied on the information provided by the Target Company and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers and the PAC accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirers and the PAC as laid down in the SEBI (SAST) Regulations. The Acquirers and the PAC shall be responsible for ensuring compliance with the SEBI (SAST) Regulations, 2011 and for their obligations as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereto.

ISSUED BY MANAGER TO THE OFFER ON BEHALF OF THE ACQUIRERS AND THE PAC

| ACQUIRER 1 | ACQUIRER 2 | PAC |
|--|--|--|
| Erramilli Venkatachalam Prasad Sd/- Email Id: prasad@cupidalcobev.com | Rodrigues Bhagvandas Lily* Sd/- Email Id: stocklilly9@gmail.com | Erramilli Rishab Sd/- Email Id: rishabh2erramilli@gmail.com |

**Pursuant to Special Power of Attorney dated February 06, 2025, Erramilli Venkatachalam Prasad (Acquirer 1) will be signing on behalf of Rodrigues Bhagvandas Lily (Acquirer 2).*

Place: Telangana

Date: February 24, 2025