

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This LoF is sent to you as a shareholder(s) of LAUREL ORGANICS LIMITED. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager / Registrar to the offer. In case you have recently sold your shares in the Company, please hand over this LoF and the accompanying Form of Acceptance cum acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected."

OPEN OFFER BY

KIMIA BIOSCIENCES PRIVATE LIMITED-ACQUIRER

Registered Office: C-52, Rohit Kunj, Pitampura, Delhi- 110034,

Tel No.: +91-11-47063600, Fax No.: +91-11-47063601; Email: info@kimiabiosciences.com

To acquire upto 1,920,100 (Nineteen Lacs Twenty Thousand One Hundred) Equity Shares of face value of Rs. 10/- each representing 26.00% of the present issued, subscribed and paid up equity share capital of

LAUREL ORGANICS LIMITED - TARGET COMPANY

Registered Office: Village Bhondsi, Tehsil Sohna, Gurgaon, Haryana - 122102;

Tel No.: 0124-2267351, 0124-2267352, Fax: 0124-2267353; Website: www.laurel.co.in; E-mail: laurelorqanicsltd@gmail.com;

At a price of Rs. 3.00/- (Rupees Three Only) per fully paid up equity share payable in cash pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations, 2011") and subsequent amendments thereof.

1. This offer is being made by the Acquirer pursuant to Regulation 3(1) and Regulation 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (SEBI (SAST) Regulations, 2011) for substantial acquisition of shares and change in control and management.
2. The Offer is not subject to any minimum level of acceptance.
3. **THIS OFFER IS NOT A COMPETING OFFER.**
4. If there is any upward revision in the Offer Price by the Acquirer upto three working days prior to the commencement of the tendering period i.e. upto December 21, 2015, Monday in the case of withdrawal of offer, the same would be informed by way of the Issue Opening Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirer for all the shares validly tendered anytime during the offer.
5. **THERE IS NO COMPETING OFFER TILL DATE.**
6. A copy of Public Announcement, Detailed Public Statement, Letter of Offer (including Form of Acceptance cum Acknowledgement) is also available on SEBI's web-site: www.sebi.gov.in.

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 8 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NO. 23 to 28). FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT IS ENCLOSED WITH THIS LETTER OF OFFER

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

MANAGER TO THE OFFER

 **Corporate Professionals**
WHERE EXCELLENCE IS LAW

CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED

CIN: U74899DL2000PTC104508

D-28, South Extn., Part-I, New Delhi - 110 049

Contact Person: Mr. Manoj Kumar/Ms. Ruchika Sharma

Ph.: +91-11-40622228/ +91-11-40622248

Fax: 91-11-40622201

Email: manoj@indiacp.com / ruchika.sharma@indiacp.com

SEBI Regn. No.: INM000011435

Offer Opens On: December 29, 2015, Tuesday

REGISTRAR TO THE OFFER

BEETAL

BEETAL Financial and Computer Services Private Limited

CIN: U67120DL1993PTC052486

BEETAL House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi - 110 062

Contact Person: Mr. Punit Mittal

Ph.: 011-29961281/82/83

Fax: 011-29961284

Email: beetalrta@gmail.com

SEBI Regn. No.: INR 00000262

Offer Closes On: January 11, 2016, Monday



SCHEDULE OF ACTIVITIES OF THE OFFER

ACTIVITY	DATE AND DAY
Public Announcement (PA) Date	October 30, 2015, Friday
Detailed Public Statement (DPS) Date	November 06, 2015, Friday
Last date for a competing offer	December 02, 2015, Wednesday
Identified Date*	December 11, 2015, Friday
Date by which LoF will be despatched to the shareholders	December 18, 2015, Friday
Issue Opening PA Date	December 28, 2015, Monday
Last date by which Board of TC shall give its recommendations	December 22, 2015, Tuesday
Date of commencement of tendering period (Offer opening Date)	December 29, 2015, Tuesday
Date of expiry of tendering period (Offer closing Date)	January 11, 2016, Monday
Date by which all requirements including payment of consideration would be completed	January 25, 2016, Monday

* Identified Date is only for the purpose of determining the names of the shareholders of the Target Company to whom the Letter of Offer would be sent.

RISK FACTORS

Given below are the risks related to the transaction, proposed Offer and those associated with the Acquirer:

(A) Relating to Transaction

The Offer is subject to the compliance of terms and conditions as mentioned in the Share Purchase Agreement ("SPA") dated October 30, 2015. In terms of Regulation 23(1) of SEBI (SAST) Regulations, 2011, if such conditions are not satisfactorily complied with, the Offer would stand withdrawn. The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer Period and upon the completion of the Offer and disclaim any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

(B) Relating to the Offer

- 1) In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation to stay the offer; or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer proceeds may be delayed beyond the schedule of activities indicated in this draft Letter of Offer. Consequently, the payment of consideration to the public shareholders of LOL, whose shares have been accepted in the offer as well as the return of shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension



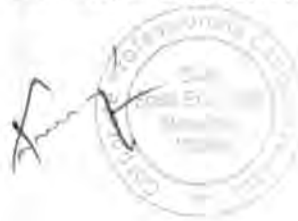
of time to Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011.

- 2) In the event of over-subscription to the Offer, the acceptance will be on a proportionate basis.
- 3) The tendered shares and the documents would be held in trust by the Registrar to the Offer until the completion of Offer formalities. Accordingly, the Acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
- 4) The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the draft Letter of Offer (LOF)/ Detailed Public Statement (DPS)/Public Announcement(PA) and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.
- 5) Shareholders should note that those who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

(C) Relating to Acquirer

- 1) The Acquirer makes no assurance with respect to the financial performance of the Target Company and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
- 2) The Acquirer makes no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.

The risk factors set forth above, pertain to the Offer and are not in relation to the present or future business or operations of the Target Company or any other related matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of LOL are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer.



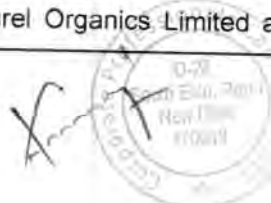
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1. DEFINITIONS

1.	Acquirer or The Acquirer	M/s. Kimia Biosciences Private Limited
2.	ASE	Ahemdabad Stock Exchange Limited
3.	BSE	BSE Limited
4.	Board of Directors / Board	The Board of Directors of Laurel Organics Limited
5.	Book Value per share	Net worth / Number of equity shares issued
6.	Buying Broker	Omkam Capital Markets Private Limited
7.	Companies Act	The Companies Act, 2013, as amended from time to time
8.	Detailed Public Statement or DPS	Detailed Public Statement which appeared in the newspapers on November 06, 2015
9.	EPS	Profit after Tax / Number of Equity Shares issued
10.	Escrow Agreement	Escrow Agreement dated November 02, 2015 between the Acquirer, Escrow Agent and Manager to the Offer
11.	Escrow Bank/Escrow Agent	YES Bank Limited having its branch office at D-12, South Extension Part – II, New Delhi – 110 049
12.	FEMA	The Foreign Exchange Management Act, 1999, as amended or modified from time to time
13.	Form of Acceptance	Form of Acceptance cum Acknowledgement
14.	DLOO or Letter of Offer or LOF	This Letter of Offer
15.	Manager to the Offer or, Merchant Banker	Corporate Professionals Capital Private Limited
16.	N.A.	Not Available/Not Applicable
17.	NRI	Non Resident Indian
18.	Offer or The Offer or Open Offer	Open Offer for acquisition of upto 1,920,100 Equity Shares of face value of Rs. 10/- each being 26% of the present issued, subscribed and paid up share capital of Target Company at a price of Rs. 3.00/- per Equity share payable in cash.
19.	Offer Period	Tuesday, December 29, 2015 to Monday, January 11, 2016
20.	Offer Price	Rs. 3.00/- (Rupees Three Only) per fully paid up Equity Share payable in cash
21.	PAT	Profit After Tax
22.	Persons eligible to participate in the Offer	Registered shareholders of Laurel Organics Limited and unregistered shareholders who owns the Equity Shares of Laurel Organics Limited any time prior to the closure of



		Offer, including the beneficial owners of the shares held in dematerialised form, except the parties to Share Purchase Agreement dated October 30, 2015.
23.	Public Announcement or PA	Public Announcement submitted to BSE as well as to SEBI on October 30, 2015.
24.	Registrar or Registrar to the Offer	Beetal Financial and Computer Services Private Limited, an entity registered with SEBI under the SEBI (Registrar to Issue and Share Transfer Agents) Regulations, 1993, as amended or modified from time to time.
25.	RBI	The Reserve Bank of India
26.	Return on Net Worth	(Profit After Tax/Net Worth) *100
27.	INR or Rs.	Indian Rupees
28.	SEBI Act	Securities and Exchange Board of India Act, 1992
29.	SEBI	Securities and Exchange Board of India
30.	SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
31.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
32.	Sellers	Mr. Kumar Sahay Varma, Mrs. Vandana Varma, M/s. Bijwasan Agro Limited and M/s. Agora Agro Private Limited
33.	Share Purchase Agreement or SPA	The Share Purchase Agreement dated October 30, 2015 entered into amongst Acquirer and Sellers
34.	Tendering Period	Tuesday, December 29, 2015 to Monday, January 11, 2016
35.	Target Company or LOL	LAUREL ORGANICS LIMITED

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LOF WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LOF 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 LAUREL ORGANICS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE



ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER "CORPORATE PROFESSIONALS CAPITAL PRIVATE LIMITED" HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 14, 2015 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DLOF DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER."

3. DETAILS OF THE OFFER

3.1. Background of the Offer

- 3.1.1. The Offer is being made under Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 for substantial acquisition of shares and change in control and management of Target Company.
- 3.1.2. On October 30, 2015, M/s. Kimia Biosciences Private Limited (hereinafter referred to as "**Acquirer**"), has entered into a Share Purchase Agreement ("**SPA**") with the promoters of the Company viz. Mr. Kumar Sahay Varma, Mrs. Vandana Varma, M/s. Bijwasan Agro Limited and M/s. Agora Agro Private Limited ("**Sellers**") for the acquisition of 3,629,500 (Thirty Six Lacs Twenty Nine Thousand and Five Hundred Only) fully paid-up Equity Shares ("**Sale Shares**") of face value of Rs.10/- (Rupees Ten) each representing 49.15% of the paid up equity share capital of the Target Company at a price of Rs. 3.00/- (Rupees Three Only) per fully paid-up equity shares aggregating to Rs. 10,888,500/- (Rupee One Crore Eight Lacs Eighty Eight Thousand and Five Hundred Only) to be paid in cash. The Offer is not a result of Global Acquisition resulting in indirect acquisition of Target Company. As on the date of draft LoF, the Acquirer does not hold any shares in the Target Company other than the shares proposed to be acquired in pursuance of aforementioned SPA.
- 3.1.3. The salient features of the SPA dated October 30, 2015 are laid down as under:
- SPA dated October 30, 2015 between the Acquirer and Seller for the acquisition of control and 3,629,500 (Thirty Six Lacs Twenty Nine Thousand and Five Hundred) fully paid up Equity Shares representing 49.15% of the present issued, subscribed and paid up equity share capital of the Target Company at a price of Rs. 3.00/- (Rupees Three Only) per share.



- The Total consideration for the sale shares is Rs. 10,888,500/- (Rupee One Crore Eight Lacs Eighty Eight Thousand and Five Hundred Only).
 - The Target Company is incurring cash losses and is in bad financial position and is unable to discharge statutory liabilities, employee dues and current liabilities including creditors. The Promoters too have shown their incapability to infuse further funds or to generate adequate cash flows to enable the Company meet its obligations and thus are willing to exit the Target Company. The Acquirer is a company engaged in the similar business as that of the Target Company and has agreed to bail out the Company by discharging its liabilities and giving exit to the Promoters of the Company by acquiring their entire shareholding of as well as management control of the Target Company.
 - Upon completion of Open Offer ("Closing Date") and subject to applicable laws, the Acquirer agrees to acquire Sales Shares and pay the sale share consideration to the Sellers and to appoint up to such directors on the Board of the Target Company as the Acquirer deems suitable, subject to the compliance with the provisions of the Listing Agreement and SEBI (SAST) Regulations, if applicable.
 - The Sellers agree to deliver to the Acquirer, duly executed share transfer deeds representing Sale Shares of the Target Company, along with original share certificates for the transfer of the Sale Shares from the Sellers to the Acquirer and to call a Board Meeting wherein the transfer of sale shares shall be effected in favor of Acquirer. The Sellers agree that all the directors nominated on the Board of the Target Company will deliver to the Target Company their resignation letters which will be effective from the Closing Date, simultaneously the appointment of the Acquirer directors to be effective from the Closing Date itself.
 - In the event of non-compliance of any provisions of the Regulations, the SPA for such sale shares shall not be acted upon by the Sellers or Acquirer.
- 3.1.4. There is no separate arrangement for the proposed change in control of the Target Company except for the terms as mentioned in SPA entered between Acquirer and Sellers.
- 3.1.5. Acquirer as mentioned above has not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act, 1992.
- 3.1.6. Subsequent to the completion of Takeover Open Offer, Mr. Sameer Goel, the key promoter of the Acquirer will be appointed on the Board of Target Company. In case, the Acquirer decides to appoint any other person on the Board of Target Company, the same shall be intimated.
- 3.1.7. The recommendation of the committee of Independent Directors as constituted by the Board of Directors of the Target Company on the Offer will be published at least two working days before the commencement of the tendering period, in the same newspapers where the DPS was published and a copy whereof shall be sent to SEBI, BSE, ASE and Manager to the Offer and in case of a competing offer/s to the manager/s to the open offer for every competing offer.
- 3.2. Details of the proposed offer**



- 3.2.1. In accordance with Regulations 13(1) and 14(3) of SEBI (SAST) Regulations, 2011, the Acquirer gave PA on October 30, 2015 to SEBI, BSE and TC and DPS on November 06, 2015 which was published in the following newspapers:

Publication	Editions
Business Standard(English)	All Editions
Business Standard (Hindi)	All Editions
Mahanayak(Marathi)	Mumbai

The Detailed Public Statement is also available on the SEBI website at www.sebi.gov.in; BSE website at www.bseindia.com; and the website of Manager to the Offer www.corporateprofessionals.com

- 3.2.2. The Acquirer made an Takeover Open Offer in terms of SEBI (SAST) Regulations, 2011 to the shareholders of LOL to acquire upto 1,920,100 (Nineteen Lacs Twenty Thousand and One Hundred Only) fully paid up Equity Shares of Rs. 10/- each representing 26.00% of the present issued, subscribed and paid up equity share capital of the Target Company at a price of Rs. 3.00/- (Rupees Three only) per fully paid up equity share ("**Offer Price**"), payable in cash subject to the terms and conditions set out in the PA, DPS and this draft Letter of Offer.
- 3.2.3. There are no partly paid up shares in the Target Company.
- 3.2.4. There is no differential pricing in the Offer.
- 3.2.5. This is not a competitive Bid.
- 3.2.6. The Offer is not a conditional offer and is not subject to any minimum level of acceptance from the shareholders. The Acquirer will accept the Equity Shares of LOL those are tendered in valid form in terms of this offer upto a maximum of 1,920,100 (Nineteen Lacs Twenty Thousand and One Hundred only) Equity Shares representing 26.00% of the present issued, subscribed and paid up capital of the Target Company.
- 3.2.7. The Acquirer have not acquired any shares of Target Company after the date of PA i.e. October 30, 2015 and upto the date of this draft LoF.
- 3.2.8. The Equity Shares of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.9. As on the date of draft LoF, the Acquirer does not hold any shares in the Target Company other than those proposed to be purchased in pursuance of the aforementioned SPA.
- 3.2.10. Upon completion of the Offer, assuming full acceptances in the Offer and acquisition of Sale Shares in accordance with the SPA, the Acquirer will hold 5,549,600 (Fifty Five Lacs Forty Nine Thousand and Six Hundred Only) Equity Shares constituting 75.15% of the present issued, subscribed and paid up equity share capital of the Target Company. Pursuant to this Open Offer, the public shareholding in the Target Company will reduce below the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the Listing Agreement, the Acquirer undertakes that it will take necessary steps to facilitate



compliances of the Target Company with the relevant provisions of the Securities Contracts (Regulation) Rules, 1957 as amended, the Listing Agreement or corresponding provisions of SEBI(LODR) Regulations, 2015 and the Regulations 7(4) and 7(5) of the SEBI (SAST) Regulations and will reduce the non-public shareholding within the time period mentioned therein.

3.2.11. The Manager to the Offer, Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as at the date of DPS and this Draft LoF. The Manager to the Offer further declares and undertakes that it will not deal on its own account in the Equity Shares of the Target Company during the Offer Period.

3.3. Object of the Acquisition/ Offer

3.3.1. The Target Company and Acquirer are in the same line of business. The main reason of Acquirer for acquisition of shares and control over the Target Company is to expand the business opportunities in Pharma sector only.

3.3.2. This Open Offer is for acquisition of 26.00% of the present issued, subscribed and paid up equity share capital of the Target Company. After the completion of this Open Offer and pursuant to the acquisition of shares under SPA, the Acquirer shall be in a position to exercise effective control over the management and affairs of Target Company. As the reason of acquisition of shares and control of the Target Company, the acquirer desires to continue the same line of business in which the Target Company is into presently.

3.3.3. Subject to satisfaction of the provisions under the Companies Act, 2013 and/or and other Regulation(s), the Acquirer intends to make changes in the management of the Target Company.

4. BACKGROUND OF THE ACQUIRER–KIMIA BIOSCIENCES PRIVATE LIMITED("ACQUIRER")

4.1. Acquirer is a private company incorporated under the provisions of the Companies Act, 1956 (CIN:U24233DL2007PTC167770) on September 05, 2007 with the name and style of "R. S. Pharma Plus Private Limited" and on February 17, 2012 the name of Acquirer was changed to "Kimia Biosciences Private Limited". The Registered Office of the Acquirer is situated at C-52, RohitKunj, Pitampura, Delhi – 110034. The Acquirer is engaged in the business of manufacturing of pharmaceuticals products specifically bulk drugs. The Company has its manufacturing facilities at Derabassi, Punjab and Bhiwadi, Haryana that enables it to produce wide range of APIs (Active Pharmaceutical Ingredients)/Bulk Drugs.

4.2. The present authorised capital of Acquirer is Rs. 50,000,000/- (Rupees Five Crores Only) constituting 5,000,000 (Fifty Lacs Only) Equity Shares of Rs. 10/- (Rupees Ten) each and paid up equity share capital is of Rs. 11,048,000/- (Rupees One Crore Ten Lacs and Forty Eight Thousand Only) constituting 1,104,800 (Eleven Lacs Four Thousand and Eight Hundred) Equity



Shares of Rs. 10/- (Rupees Ten) each. The Promoter and key shareholder of the Acquirer is specified below:

S. No.	Name of the Shareholder	Category	No. of Shares held	% of shareholding
1.	Mr. Sameer Goel	Promoter	1,099,800	99.55
2.	Mr. Sachin Goel	Promoter	5,000	0.45
Total			1,104,800	100.00

4.3. With respect to the Target Company, Acquirer has complied with all the provisions of Chapter II and Chapter V of SEBI (SAST) Regulations, 1997/2011 as may be applicable.

4.4. Shareholding pattern of the Acquirer as on date is specified below:

Sl. No.	Shareholder's Category	No. of Shares	Percentage of Shares held
1.	Promoters	1,104,800	100.00
2.	FII/ Mutual-Funds/FIs/Banks	Nil	N.A
3.	Public	Nil	N.A
Total Paid Up Capital		1,104,800	100.00

4.5. Details of the Board of Directors of Acquirer:

Name of the Director	Designation (Executive, Non Executive, Independent, etc.)	DIN	Qualification and Experience in No. of years and field of experience	Date of Appointment
Mr. Sameer Goel	Director	00161786	B.Com and holds experience of 17 years in Pharma sector	September 05, 2007
Mr. Sachin Goel	Director	00161762	B.Com and holds experience of 20 years Pharma sector	September 05, 2007

Note: None of the above Directors of the Acquirer is on the Board of the Target Company.

4.6. The financial information of Acquirer based on the audited standalone financial statements for the financial year ended March 31, 2013, March 31, 2014, March 31, 2015 and for Half Year ended September 30, 2015 are as follows:



(Rs. In Lacs)

Profit & Loss Statement	Year Ended 31.03.2013 (Audited)	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Half Year Ended 30.09.2015 (Unaudited)
Income from Operations	627.74	2,334.26	4,349.94	2,026.52
Other Income	0.00	2.60	18.24	31.95
Increase/ (Decrease) in Stock	0.00	0.00	0.00	0.00
Total Income	627.74	2,336.86	4,368.18	2,058.47
Total Expenditure (Excluding Depreciation and Interest)	658.87	2,243.32	4,224.89	2,017.85
Profit Before Depreciation Interest and Tax	(31.13)	93.54	143.29	40.62
Depreciation	1.51	50.75	5.61	10.93
Interest	5.53	7.20	17.32	17.70
Profit/ (Loss) Before Tax	(38.17)	35.59	120.36	11.99
Provision for Tax	0.46	5.83	38.82	3.70
Profit/ (Loss) After Tax	(38.63)	29.76	81.54	8.29



Balance Sheet Statement	Year Ended 31.03.2013 (Audited)	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Half Year Ended 30.09.2015 (Unaudited)
Sources of funds				
Paid up share capital	1.00	50.00	50.00	110.48
Reserves and Surplus (Excl. Revaluation Reserves)	(48.71)	(19.95)	61.59	154.39
Net Worth	(47.71)	30.04	111.58	264.87
Secured loans	0.00	0.00	0.00	71.07
Unsecured loans	67.03	7.85	740.00	1,109.83
Other Liabilities	886.79	958.78	1,572.40	1,866.53
Total	906.11	996.68	2,423.99	3,312.30
Uses of funds				
Net fixed assets	6.52	5.54	253.71	419.17
Investments	0.00	0.00	0.00	0.00
Net current assets	899.58	991.14	2,170.28	2,893.13
Total miscellaneous expenditure not written off	0.00	0.00	0.00	0.00
Total	906.11	996.68	2,423.99	3,312.30

Other Financial Data	Year Ended 31.03.2013 (Audited)	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)	Half Year Ended 30.09.2015 (Unaudited)
Dividend (%)	0.00	0.00	0.00	0.00
Earning Per Share (Rs.)	(386.35)	6.00	16.00	2.00
Networth (Rs. In Lacs)	(47.71)	30.04	111.58	264.87
Return on Networth (%)	(809.78)%	19.97%	14.34%	0.75%
Book Value Per Share (Rs.)	(47.71)	6.00	22.00	24.00

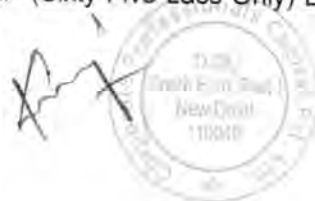
Source- As certified by Mr. Arun Bhatia (Membership No. 082789), Partner of Charnalia Bhatia and Gandhi, Chartered Accountants having office at 93, Pocket II, Jasola, New Delhi - 110025; Tel: 011-47366600; Fax: 011-47366604; Email ID: cbqcpa@gmail.com vide certificate dated October 30, 2015.



- 4.7. There are no major contingent liabilities in the Acquirer.
- 4.8. The Acquirer does not hold any equity shares of the present paid up equity share capital of Target Company. Acquirer will acquire shares and control as proposed to be acquired in terms of SPA dated October 30, 2015. Acquirer has extended certain amount of secured and unsecured loan to the Target Company and for last one year the Acquirer is in the business relationship with the Target Company. Besides these transactions there is no other interest of the Acquirer in the Target Company.
- 4.9. There is no PAC in this Takeover Open Offer.

5. BACKGROUND OF THE TARGET COMPANY – LAUREL ORGANICS LIMITED (“LOL”)

- 5.1. LOL is a public listed company incorporated under the provisions of Companies Act, 1956, on September 27, 1993 in the name and style of M/s. Dolphin Organics Limited and had obtained Certificate of Commencement of Business on October 19, 1993. The name of Target Company was changed to Laurel Organics Limited vide fresh Certificate of Incorporation dated April 19, 1995. The CIN of the Company is L24239HR1993PLC032120. The main area of operation of LOL is manufacturing of generic bulk drugs, intermediates for other MNC pharmaceutical companies on contract manufacturing basis. The registered office of LOL is situated at Village Bhondsi, Tehsil Sohna, Gurgaon, Haryana – 122102.
- 5.2. Due to heavy losses, the Target Company was declared a sick industrial company by Board of Industrial and Financial Restructuring (‘BIFR’) in terms of the Sick Industrial Companies (Special Provisions) Act, 1985 (‘SICA’) on June 23, 2000. The Rehabilitation Scheme in terms of SICA was approved on March 25, 2004. However, later on BIFR has discharged the Target Company from purview of SICA. The shares of the Target Company are presently listed on BSE and ASE. However, the shares of the Target Company are currently suspended from trading on BSE & ASE. The shares of the Company were also listed on Delhi Stock Exchange Limited, Madras Stock Exchange Limited and Jaipur Stock Exchange Limited, though, SEBI has passed exit order for these Stock Exchanges and has withdrawn their recognitions.
- 5.3. The Equity Shares of the Target Company are listed on BSE and ASE and are presently suspended on BSE and ASE. Due to such suspension no trading data is available on BSE for last twelve calendar months. The calculation of annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA (October, 2014 to September, 2015) (“relevant period”) cannot be effectively done. Thus, the Equity Shares of the Target Company are infrequently traded within the meaning of definition of “frequently traded shares” under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).
- 5.4. The listed paid up capital of the Company is Rs. 65,000,000/- (Rupees Six Crores and Fifty Lacs Only) divided into 6,500,000/- (Sixty Five Lacs Only) Equity Shares of Rs. 10/- each. The



Board of Directors of Target Company in its meeting held on September 30, 2004 approved the preferential issue of 8,85,000 (Eight Lacs Eighty Five Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each to Industrial Development Bank of India ('IDBI') as per the rehabilitation scheme of Hon'ble BIFR dated March 25, 2004. Later as per the BIFR direction, these shares were transferred to the Promoters of the Target Company and are now part of the SPA. The Company had applied for listing approval of these shares on January 08, 2010 with BSE. However, the Target Company has not received listing and trading approval from BSE till date. On September 18, 2015, the Target Company has refilled all the documents along with Listing Application to BSE which is pending as on the date of this draft LoF.

- 5.5. Share capital structure of the Target Company as on the date of draft LoF is as follows:

Paid up Equity Shares of Target Company	No. of Shares/voting rights*	% of shares/voting rights
Fully paid up equity shares	7,385,000 Equity Shares of Rs. 10 each	100.00
Partly paid up equity shares	Nil	Nil
Total paid up equity shares	7,385,000 Equity Shares of Rs. 10 each	100.00
Total voting rights in TC	7,385,000 Equity Shares of Rs. 10 each	100.00

- 5.6. There are currently no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date.

- 5.7. As on the date of draft LoF, the composition of the Board of Directors of LOL is as under:

S. No.	Name and Address of Director	DIN	Designation	Date of Appointment
1.	Abhishek Sahay Varma Address: C-111, Paryavaran Complex, New Delhi - 110030	00161942	Whole Time director	30/03/1998
2.	Kumar Sahay Varma Address: C-111, Paryavaran Complex, New Delhi - 110030	00161976	Managing director	09/08/2004
3.	Vandana Varma Address: C-111, Paryavaran Complex, New Delhi - 110030	00162002	Whole-time director	05/01/2000



4.	Binod Roy Address: Flat No. – 3B (S/F) Friendz Apartment, 149/2, Nai Basti Devli , Near Devli Bus Stand, New Delhi - 110062	00277440	Director	08/02/2003
5.	Sandeep Kumar Gupta Address: H.No. 101/31, Silver Oaks, Gurgaon, Haryana, India – 122001	00277476	Director	08/02/2003
6.	Prabhat Chandra Jha Address: B-108, Kankarbagh Housing Colony, Patna, Bihar, India – 800020	00459610	Director	08/02/2003
7.	Shakuntala Prasad Address: D-68, Paryavaran Complex, MaidanGarhi Road, New Delhi- 110030	02471057	Director	06/05/2008

- 5.8. There has been no merger/de-merger, spin off during last 3 years involving the Target Company.
- 5.9. The financial information of Target Company based on the audited standalone financial statements for the financial year ended March 31, 2013, March 31, 2014 and March 31 2015 are as follows:

(Rs. In Lacs)

Profit & Loss Statement	Year Ended 31.03.2013 (Audited)	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)
Income from Operations	1223.82	644.60	174.69
Other Income	05.57	03.49	69.66
Total Income	1229.39	648.09	244.35
Total Expenditure (Excluding Depreciation and Interest)	1031.66	674.24	366.48
Profit Before Depreciation Interest and Tax	197.73	(26.15)	(122.13)
Depreciation	44.78	44.65	43.58



Interest	18.74	8.44	04.04
Profit/ (Loss) Before Tax	134.21	(79.24)	(169.75)
Provision for Tax – Deferred Tax	7.89	(0.77)	0.52
Profit/ (Loss) After Tax	126.32	(78.47)	(170.27)

Balance Sheet Statement	Year Ended 31.03.2013 (Audited)	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)
Sources of funds			
Paid up share capital	738.50	738.50	738.50
Reserves and Surplus (Excl. Revaluation Reserves)	(472.36)	(550.84)	(721.12)
Net Worth	266.14	187.66	17.38
Non Current Liabilities	118.68	126.07	99.15
Current Liabilities	218.08	237.15	345.70
Total	602.89	550.88	462.23
Uses of funds			
Net fixed assets	386.38	386.91	341.12
Other Non-Current Assets	29.05	27.86	29.48
Net current assets	187.47	136.11	91.63
Total	602.89	550.88	462.23

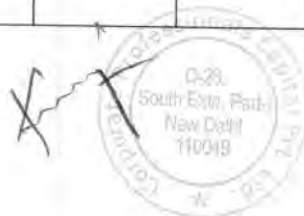
Other Financial Data	Year Ended 31.03.2013 (Audited)	Year Ended 31.03.2014 (Audited)	Year Ended 31.03.2015 (Audited)
Dividend (%)	0.00%	0.00%	0.00%
Earning Per Share (Rs.)	1.71	(1.06)	(2.31)
Networth (Rs. In Lacs)	266.14	187.66	17.38
Return on Networth (%)	47.46%	(41.81)%	(979.75)%
Book Value Per Share (Rs.)	3.60	2.54	0.24

Note: The above data is on the basis of Annual Report of the Target Company for financial year ended 2012-13, 2013-14 and 2014-15. As per the format of Draft Letter Of Offer, the financial data should not be older than six months from the date of DLOO, however, the Target Company has not prepared and filed unaudited financials for the quarter ended June 30, 2015 and for the half year ended September 30, 2015 with BSE till date. So, the latest data we have provided above is for financial year ended March 31, 2015. As soon as the latest financials of Target Company is made available the same shall be updated in the Letter of Offer.



5.10. Pre and Post- Offer shareholding pattern of the Target Company as on the date of draft LoF is

Sr. No.	Shareholder Category	Shareholding & Voting rights prior to the Agreement/ acquisition and Offer (A)		Shares/voting rights agreed to be acquired Which triggered off the Regulations (B)		Shares/Voting rights to be acquired in the Open Offer (assuming full acceptance) (C)		Shareholding/ voting rights after the acquisition and Offer i.e. (A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1	Promoter Group								
	a. Parties to agreement, if any	3,629,500	49.15	(3,629,500)	(49.15)	Nil	NA	Nil	NA
	b. Promoters other than (a) above	Nil	NA	Nil	NA	Nil	NA	Nil	NA
	Total 1 (a+b)	3,629,500	49.15	Nil	NA	Nil	NA	Nil	NA
2	Acquirer								
	M/s. Kimia Biosciences Private Limited	Nil	NA	3,629,500	49.15	1,920,100	26.00	5,549,600	75.15
	Total 2	Nil	NA	3,629,500	49.15	1,920,100	26.00	5,549,600	75.15
3	Parties to the agreement other than 1(a) & 2	Nil	NA	Nil	NA	Nil	NA	Nil	NA
4	Public								
	a. FIs / MFs / FIIIs / Banks, SFIs	823,300	0.00	Nil	NA	(19,20100)	(26.00)	1835400	24.85



b.	Others	2,932,200	39.70	Nil	NA				
	Total (4)(a+b)	3,755,500	50.85	Nil	NA	(1920100)	(26.00)	1835400	24.85
	Total (1+2+3+4)	7,385,000	100.0 0					7385000	100.00

Notes: The data within bracket indicates sale of equity shares.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1. Justification of Offer Price

- 6.1.1. The Offer is made pursuant to the direct acquisition of shares and control over the Target Company by the Acquirer. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- 6.1.2. The Equity Shares of the Target Company are listed on BSE and ASE. Presently, the Company is suspended on BSE and ASE and due to such suspension no trading data is available on BSE for last twelve calendar months. The calculation of annualized trading turnover in the Equity Shares of the Target Company based on trading volume during the twelve calendar months prior to the month of PA (October, 2014 to September, 2015) ("relevant period") cannot be effectively done. Thus, the Equity Shares of the Target Company are infrequently traded within the meaning of definition of "frequently traded shares" under clause (j) of Sub-Regulation (1) of Regulation 2 of the SEBI (SAST) Regulations).
- 6.1.3. The Offer Price of Rs. 3.00/- (Rupees Three only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

S. No.	Particulars	Price
(a)	Negotiated Price	Rs. 3.00/- per share
(b)	The volume-weighted average price paid or payable for acquisition whether by the Acquirer, during 52 weeks immediately preceding the date of PA	Not Applicable
(c)	The highest price paid or payable for any acquisition, whether by the Acquirer, during 26 weeks immediately preceding the date of the PA	Not Applicable
(d)	The volume-weighted average market price of shares for a period of sixty trading days immediately preceding the date of the public announcement as traded on the stock exchange where the maximum volume of trading in the shares of the target company are recorded during such period.	Not Applicable



Other Parameters*	Based on the audited financial data for the period ended March 31, 2015
Return on Net Worth (%)	N.A. (*)
Book Value per Share (In Rs.)	0.24
Earnings Per Share (In Rs.)	(2.31)

(*)The Return on Net Worth of the Target Company is negative.

In view of the parameters considered and presented in table above, in the opinion of the Acquirer and Manager to the Offer, the Offer Price of 3.00/- (Rupees Three Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

- 6.1.4. There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- 6.1.5. In the event of further acquisition of Equity Shares of the Target Company by the Acquirer 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. However, it shall not be acquiring any equity shares of the Target Company after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period.
- 6.1.6. If the Acquirer acquires 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 shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under an open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.
- 6.1.7. As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirer shall comply with Regulation 18 of SEBI (SAST) Regulations and all the provisions of SEBI (SAST) Regulations which are required to be fulfilled for the said revision in the Open Offer Price or Open Offer Size.
- 6.1.8. If there is any revision in the offer price on account of future purchases / competing offers, it will be done only up to the period prior to three (3) working days before the date of commencement of the tendering period and would be notified to the shareholders.

6.2. Financial Arrangement

- 6.2.1. The total fund requirement for the Offer (assuming full acceptances) i.e. for the acquisition upto 1,920,100 (Nineteen Lacs Twenty Thousand and One Hundred) Equity Shares from the



- public shareholders of the Target Company at an Offer Price of Rs. 3.00/- (Rupees Three only) per fully paid up equity share making a total investment of Rs.5,760,300 (Rupees Fifty Seven Lacs Sixty Thousand and Three hundred Only) (the "**Maximum Consideration**").
- 6.2.2. The Acquirer has adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources of the Acquirer and further investment/loans as may be required.
- 6.2.3. The Acquirer, the Manager to the Offer and YES Bank Limited, a company incorporated under the Companies Act, 1956, and carrying on business as a banking company under Banking Regulations Act, 1949 having one of its branch offices at D-12, South Extension Part – II, New Delhi – 110 049, have entered into an Escrow Agreement dated November 02, 2015 for the purpose of the Offer (the "**Offer Escrow Agreement**") in accordance with Regulation 17 of the SEBI (SAST) Regulations. In terms of the Escrow Agreement, the Acquirer has opened an Escrow Account bearing name and style as "**CPCPL-LOL- Open Offer Escrow Account**", (the "**Escrow Account**") and deposited cash of Rs. 1,500,000 (Rupees Fifteen Lacs Only) being more than 25% of the Maximum Consideration.
- 6.2.4. The Acquirer has authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.5. Mr. Arun Bhatia (Membership No. 082789), Partner of Charnalia Bhatia and Gandhi, Chartered Accountants having office at 93, Pocket II, Jasola, New Delhi – 110025; Tel: 011-47366600; Fax: 011-47366604; Email ID: cbgcpa@gmail.com vide certificate dated October 30, 2015 certified that the Acquirer has sufficient resources to meet the fund requirement for the Takeover of Target Company.
- 6.2.6. Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill their obligations through verifiable means in relation to the Offer in accordance with the Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1. Operational terms and conditions

- 7.1.1. The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2. LoF will be dispatched to all the equity shareholders of LOL, whose names appear in its Register of Members on December 11, 2015, Friday, the Identified Date.
- 7.1.3. The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4. The LoF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the website.



- 7.1.5. This Offer is subject to the receipt of the statutory and other approvals as mentioned in paragraph 7.4. of this draft LOF. In terms of Regulation 23(1) of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
- 7.1.6. Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.7. The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).
- 7.1.8. Any equity shares that are subject matter of litigation or are held in abeyance due to pending courtcases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.
- 7.2. Locked in shares:** Presently, there are no Locked in Shares of the Target Company.
- 7.3. Persons eligible to participate in the Offer**
Registered shareholders of LOL and unregistered shareholders who own the Equity Shares of LOL any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, except the parties to Share Purchase Agreement dated October 30, 2015.
- 7.4. Statutory and other Approvals:**
- 7.4.1. Shareholder of the Target Company who are either Non-Resident Indians ("NRIs") or Overseas Corporate Bodies (OCBs) and wish to tender their Equity Shares in this Open Offer shall be required to submit all the applicable approvals (specific and general) from the Reserve Bank of India (RBI) that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such approvals from the RBI are not submitted, the Acquirer reserves the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.
- 7.4.2. As of the date of this draft LoF, there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Open Offer. If any other statutory approvals required or become applicable, the Open Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Open Offer in the event such statutory approvals that are required are refused in terms of Regulation 23 of SEBI (SAST) Regulations. This Open Offer is subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.
- 7.4.3. No approval from any bank or financial institutions is required for the purpose of this Offer.
- 7.4.4. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the public shareholders of the Target



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Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

- 7.4.5. The Acquirer shall complete all procedures relating to the Open Offer including payment of consideration to the shareholders whose shares are accepted in the open offer within 10 working days from the last date of the tendering period.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI.
- 8.2. BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Open Offer.
- 8.3. The facility for acquisition of shares through Stock Exchange Mechanism pursuant to the Offer shall be available on the BSE in the form of a separate window ("**Acquisition Window**").
- 8.4. The Acquirer has appointed **M/s. Omkam Capital Markets Private Limited** ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

The Contact details of the Buying Broker are as mentioned below:

Name: M/s. Omkam Capital Markets Private Limited

Communication Address: 702A, Arunachal Building, 19, Barakhama Road, Connaught Place, New Delhi – 110001

Contact Person: Mr. Sachin Garg;

Telephone: 011-43571040/41;

Email ID: sgarg@omkam.in;

- 8.5. All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("**Selling Broker**"), during the normal trading hours of the secondary market during the Tendering Period.
- 8.6. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Equity Shares as well as physical Equity Shares.
- 8.7. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the Stock Exchange during the Tendering Period.
- 8.8. Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).
- 8.9. **Procedure for tendering Equity Shares held in dematerialised Form:**
- a) The Equity Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their broker indicating to their broker the details of Equity Shares they intend to tender in Open Offer.



- b) The Selling Broker shall provide early pay-in of demat shares (except for custodian participant orders) to the Clearing Corporation before placing the orders and the same shall be validated at the time of order entry.
- c) For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than close of trading hours on the last day of the Offer Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- d) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- e) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“TRS”) generated by the exchange bidding system to the Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered etc.
- f) The Shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Open Offer.

The Shareholders holding Equity Shares in demat mode are not required to fill any Form of Acceptance-cum-Acknowledgement. The Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

8.10. Procedure to be followed by registered Shareholders holding Equity Shares in the physical form:

- a) Shareholders who are holding physical Equity Shares and intend to participate in the Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out including the:
 - i. The Form of Acceptance-cum-Acknowledgement duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
 - ii. Original share certificates;
 - iii. Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place authorizing the transfer in favor of the Acquirer;
 - iv. Self-attested copy of the Shareholder's PAN Card;
 - v. Any other relevant documents such as (but not limited to):
 - Duly attested power of attorney if any person other than the Equity Shareholder has signed the relevant Form of Acceptance-cum-Acknowledgement;



- Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased;
 - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
- vi. In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the register of members of the Target Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter Identity card or Passport.
- b) Selling Broker should place order on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the order, the Selling Broker shall provide a TRS generated by the exchange bidding system to the Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- c) After placement of order, as mentioned in paragraph 10(b), the Selling Broker must ensure delivery of the Form of Acceptance-cum-Acknowledgement, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 8.10(a)) either by registered post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page not later than 2 (two) days from the Offer Closing Date (by 5 PM). The envelope should be superscribed as **"Laurel Organics Limited – Open Offer"**. One copy of the TRS will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker.
- d) Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares by the Acquirer shall be subject to verification as per the SEBI (SAST) Regulations and any further directions issued in this regard. Registrar to the Offer will verify such orders based on the documents submitted on a daily basis and till such time the BSE shall display such orders as "unconfirmed physical bids". Once, Registrar to the Offer confirms the orders it will be treated as "Confirmed Bids".
- e) In case any person has submitted Equity Shares in physical form for dematerialisation, such 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 the Offer Closing Date.
- 8.11. Modification / Cancellation of orders will not be allowed during the period the Offer is open.
- 8.12. The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 8.13. **Procedure for tendering the shares in case of non-receipt of Letter of Offer:**
Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter



of Offer, may also participate in this Offer. A Shareholder may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the Form of Acceptance-cum-Acknowledgement. The Letter of Offer along with Form of Acceptance cum-Acknowledgement will be dispatched to all the eligible shareholders of the Target Company as of the Identified Date. 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 BSE website (www.bseindia.com) or Merchant Banker website (www.corporateprofessionals.com) 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. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents such as physical share certificate and Form SH-4 in case of shares being held in physical form. Such shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

8.14. Non-receipt of this Letter of Offer by, or accidental omission to dispatch this Letter of Offer to any shareholder, shall not invalidate the Offer in any way.

8.15. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Shareholders are advised to adequately safeguard their interest in this regard.

8.16. Acceptance of Equity Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares, physical Equity Shares and locked-in Equity Shares) validly tendered by the Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Shareholder shall not be less than the minimum marketable lot.

8.17. Settlement Process

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the



secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation. The shares shall be directly credited to the pool account of the Buying Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the pool account of the Buying Broker. In case of partial or non-acceptance of orders or excess pay-in, demat Shares shall be released to the securities pool account of the Selling Broker / custodian, post which, the Selling Broker would then issue contract note for the shares accepted and return the balance shares to the Shareholders. Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned to the Shareholder(s) directly by Registrar to the Offer.

8.18. Settlement of Funds / Payment Consideration

The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker. The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Selling Broker / Custodian Participant will receive funds payout in their settlement bank account. The Selling Brokers / Custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism. Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

NOTE ON TAXATION

1. Capital gain: Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 (twelve) months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised



on the sale of listed Equity Shares held for a period of 12 (twelve) months or less, which are sold will be subject to short term capital gains tax and STT.

2. **SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRER DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER.**
3. Tax deduction at source
 - a) In case of resident Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirer shall not deduct tax on the consideration payable to resident Shareholders pursuant to the Offer.
 - b) In the case of non-resident Shareholders, since the Offer is through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is on the non-resident Shareholder. It is therefore recommended that the non-resident Shareholder may consult their custodians/ authorised dealers/ tax advisors appropriately.
4. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act.
5. **THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.**

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at D-28, South Extn. Part-I, New Delhi – 110049 from 10.30 A.M. to 01.00 P.M. on any working day, except Saturdays, Sundays and Holidays until the Closure of the Offer.

- 9.1. Certificate of Incorporation, Memorandum & Articles of Association of LOL.
- 9.2. Mr. Arun Bhatia (Membership No. 082789), Partner of Charnalia Bhatia and Gandhi, Chartered Accountants having office at 93, Pocket II, Jasola, New Delhi – 110025; Tel: 011-47366600; Fax: 011-47366604; Email ID: cbgcpa@gmail.com vide certificate dated October 30, 2015 certified that the Acquirer have sufficient resources to meet the fund requirement for the Takeover of Target Company.
- 9.3. Audited Annual Reports of LOL for the years ended March 31, 2013, 2014 and 2015.
- 9.4. Copy of Escrow Agreement between the Acquirer, Omkam Capital Markets Private Limited and Manager to the Offer.
- 9.5. Confirmation from Omkam Capital Markets Private Limited confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 2011.
- 9.6. Copies of the Share Purchase Agreement dated October 30, 2015.



- 9.7. Copy of Public Announcement filed on October 30, 2015, Published copy of the Detailed Public Statement which appeared in the Newspapers on November 06, 2015, Issue Opening PA and any corrigendum to these, if any,
- 9.8. A copy of the Recommendation made by the Board of LOL.
- 9.9. A copy of the Observation letter from SEBI.
- 9.10. Copy of Agreement between the Acquirer and the Registrar to the Offer.

10. DECLARATION BY THE ACQUIRER

The Acquirer and its directors accepts full responsibility for the information contained in this draft LoF and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 2011 and subsequent amendments made thereof. The Acquirer would be responsible for ensuring compliance with the concerned Regulations.

For and on behalf of Acquirer

For Kimia Biosciences Private Limited

(Sameer Goel)

Place: New Delhi

Date: November 14, 2015

11. ENCLOSURES

- 11.1. Form of Acceptance cum Acknowledgement
- 11.2. Blank Share Transfer Deed(s)



FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(In case of Physical Shares only)

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION (Please send this Form of Acceptance with enclosures to the Registrar to the Offer)	
OFFER OPENS ON	: December 29, 2015, TUESDAY
OFFER CLOSES ON	: January 11, 2016, MONDAY
Please read the Instructions overleaf before filling-in this Form of Acceptance	

FOR OFFICE USE ONLY	
Acceptance Number	
Number of equity shares Offered	
Number of equity shares accepted	
Purchase consideration (Rs.)	
Cheque/Demand Draft/Pay Order No.	

From:

Tel. No.:

Fax No.:

E-mail:

To,

The Acquirer

C/oBeetal Financial and Computer Services Pvt. Limited

Beetal House, 3rd Floor, 99, Madangir,

Behind Local Shopping Centre, New Delhi-110062

Dear Sir/s,

REG.: OPEN OFFER TO THE SHAREHOLDERS OF M/S. LAUREL ORGANICSLIMITED (LOL/ TARGET COMPANY) BY M/S. KIMIA BIOSCIENCES PRIVATE LIMITED ("ACQUIRER") PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.

I / we, refer to the Letter of Offer dated _____ for acquiring the equity shares held by me / us in **M/s.Laurel Organics Limited.**

I / we, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.



I / We, unconditionally Offer to sell to the Acquirer the following equity shares in LOL held by me/ us at a price of Rs. 3.00/- (Rupees Three Only) per fully paid-up equity share.

1. I/We enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No.....		Number of share certificates attached.....	
Representing equity shares			
Number of equity shares held in LOL		Number of equity shares Offered	
In figures	In words	In figures	In words

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1				
2				
3				
Total No. of Equity Shares				

2. I / We confirm that the Equity Shares of LOL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
3. I / We authorize the Acquirer to accept the Equity Shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
4. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
5. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment



of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

6. I/We note and understand that the Shares would held in trust by the Registrar until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.
7. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
8. I / We irrevocably authorise the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with LOL.

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with LOL):	

Place: -----	Date: -----
Tel. No(s) : -----	Fax No.: -----

So as to avoid fraudulent encashment in transit, the shareholder(s) have an option to receive the sale consideration through RTGS/ECS mode and requested to kindly provide following information compulsorily in order to received payment through RTGS/ECS	
Bank Account No. : -----	Type of Account: ----- <i>(Savings /Current /Other (please specify))</i>
Name of the Bank: -----	
Name of the Branch and Address: -----	
MICR Code of Bank-----	
IFCS Code of Bank-----	

The Permanent Account Number (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

	1 st Shareholder	2 nd Shareholder	3 rd Shareholder
PAN / GIR No.			

Yours faithfully,
Signed and Delivered:



	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the Company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

- 1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
- 2 The Form of Acceptance should be filled-up in English only.
- 3 Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.
- 4 **Mode of tendering the Equity Shares Pursuant to the Offer:**
 - I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of LOL.
 - II. Shareholders of LOL to whom this Offer is being made, are free to Offer his / her / their shareholding in LOL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.



ACKNOWLEDGEMENT SLIP

SHARES IN PHYSICAL FORM

OPEN OFFER TO THE SHAREHOLDERS OF M/S. LAUREL ORGANICS LIMITED ("LOL"/
"TARGET COMPANY") BY M/S. KIMIA BIOSCINCES PRIVATE LIMITED ("ACQUIRER")
PURSUANT TO SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS)
REGULATIONS, 2011.

Received from Mr. / Ms.

Ledger Folio No/ -----Number of certificates enclosed..... under the Letter of Offer dated _____, Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1.				
2.				
3.				
Total no. of Equity Shares				

Stamp

Authorised Signatory

Date

Note: All future correspondence, if any, should be addressed to **Registrar to the Offer**

Beetal Financial and Computer Services Private Limited

Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, New Delhi-110062

Contact Person: Mr. Punit Mittal

Ph.:011-29961281/82/83

Fax:011-29961284

Email:beetalrta@gmail.com

SEBI Regn. No.: INR 000000262

