

DETAILED PUBLIC STATEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS OF

SANGAM HEALTH CARE PRODUCTS LIMITED

Corporate Identification Number : L24230TG1993PLC016731

Registered Office: 205 & 206, Amarchand Sharma Complex, S.P Road, Secunderabad- 500002, Telangana; Email-Id : sangamlisting@gmail.com Tel No.: 040-27719551,27718252

Open Offer for acquisition of 3,863,782 Equity Shares from the Shareholders of M/s Sangam Health Care Products Limited by Mr. Addepalli Bala Gopal, Mr. Devarakonda Venkata Subramanya Sharma, Mrs. Ghanakota Padma and Mrs. Ghanakota Ramana (Hereinafter collectively referred to as Acquirers)

This Detailed Public Statement ("DPS") is being issued by Corporate Professionals Capital Private Limited, the Manager to the Offer ("Manager"), on behalf of Mr. Addepalli Bala Gopal, Mr. Devarakonda Venkata Subramanya Sharma, Mrs. Ghanakota Padma and Mrs. Ghanakota Ramana ("Acquirers"), in compliance with Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (if any) ("SEBI (SAST) Regulations") pursuant to the Public Announcement filed on June 27, 2014 with BSE Limited ("BSE"), Bangalore Stock Exchange Limited ("BgSE"), Securities and Exchange Board of India ("SEBI") and with Sangam Health Care Products Limited ("Target Company" or "TC") in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations.

I. ACQUIRERS, SELLERS, TARGET COMPANY AND OFFER

(A) Information Regarding the Acquirers:

- A.1. Mr. Addepalli Bala Gopal ("Acquirer 1"), S/o Mr. AVK Acharyulu, R/o H.No.6-3-596/46, Sunder Sai Plaza, Anand Nagar, Khairatabad, Hyderabad is engaged in the business of manufacturing and marketing of I V Sets having unit at Jeedimetla, Hyderabad. The I V Sets manufactured are also supplied to Government of Andhra Pradesh. Apart from this, he is also in the infrastructure business and presently constructing IIIT building at BASARA, Telangana. The net worth of Mr. Addepalli Bala Gopal as on 30.04.2014 is Rs. 20,348,745 (Rupees Two Crores Three Lakhs Forty Eight Thousand Seven Hundred and Forty Five Only) as certified by Mr.Srinivas Dubakunta, proprietor of D. Srinivas & Co., Chartered Accountants (Membership No. 212315) having office at 1-9-181/2, Ramnagar, Hyderabad - 500048, Mobile: 98496 36620, email: casrinivas@rediffmail.com vide certificate dated June 27, 2014. He is the husband of Acquirer 3.
- A.2. Mr. Devarakonda Venkata Subramanya Sharma ("Acquirer 2"), S/o Mr. Purusotham Devarakonda, R/o H.No. 17/333, Mahendra Street, Guntakal, Ananthapur District, Hyderabad has done his MS (Ophthalmology) and finished Medicine from Gandhi and PG from Kanakathiya. He has set up his own practice in Guntakal. The net worth of Mr. Devarakonda Venkata Subramanya Sharma as on 30.04.2014 is Rs. 49,903,353 (Rupees Four Crores Ninety Nine Lakhs Three Thousand Three Hundred and Fifty Three only) as certified by Mr. Srinivas Dubakunta, proprietor of D. Srinivas & Co., Chartered Accountants (Membership No. 212315) having office at 1-9-181/2, Ramnagar, Hyderabad - 500048, Mobile: 98496 36620, email: casrinivas@rediffmail.com vide certificate dated June 27, 2014. He is the husband of Acquirer 4.
- A.3. Mrs. Ghanakota Padma ("Acquirer 3"), W/o Mr. Addepalli Bala Gopal, R/o H.No.6-3-596/46, Sunder Sai Plaza, Anand Nagar, Khairatabad, Hyderabad is a Graduate with 7 years of experience in manufacturing of I V Sets and pouches. The net worth of Mrs. Ghanakota Padma as on 30.04.2014 is Rs. 6,476,176/- (Rupees Sixty Four Lakhs Seventy Six Thousand One Hundred and Seventy Six Only) as certified by Mr. Srinivas Dubakunta, proprietor of D. Srinivas & Co., Chartered Accountants (Membership No. 212315) having office at 1-9-181/2, Ramnagar, Hyderabad - 500048, Mobile: 98496 36620, email: casrinivas@rediffmail.com vide certificate dated June 27, 2014. She is the wife of Acquirer 1 and sister of Acquirer 4.
- A.4. Mrs. Ghanakota Ramana ("Acquirer 4"), W/o Mr. Devarakonda Venkata Subramanya Sharma, R/o H.No. 17/333, Mahendra Street, Guntakal, Ananthapur District, Hyderabad has completed her medicine from Gandhi and PG from Osmania. She has set up her own practice in Guntakal. The net worth of Mrs. Ghanakota Ramana as on 30.04.2014 is Rs.55,468,439/- (Rupees Five Crores Fifty Four Lacs Sixty Eight Thousand Four Hundred Thirty Nine Only) as certified by Mr. Srinivas Dubakunta, proprietor of D. Srinivas & Co., Chartered Accountants (Membership No. 212315) having office at 1-9-181/2, Ramnagar, Hyderabad - 500048, Mobile: 98496 36620, email: casrinivas@rediffmail.com vide certificate dated June 27, 2014. She is the wife of Acquirer 2 and sister of Acquirer 3.
- A.5. At present, the Acquirers do not hold any equity shares in the Target Company except 9,755,240 Equity Shares proposed to be acquired pursuant to Share Purchase Agreement (SPA) dated June 27, 2014 as detailed in Part II of this Detailed Public Statement.
- A.6. The Acquirers do not have any interest in the Target Company except for the transaction contemplated in SPA dated June 27, 2014 as detailed in Part II of this Detailed Public Statement.
- A.7. None of the Acquirers as mentioned above have been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any other regulation made under the SEBI Act.
- A.8. For the purpose of this Offer, there is no Person Acting in Concert with the Acquirer.

(B) INFORMATION ABOUT THE SELLERS:

B.1. The details of the sellers are set out below:

Sr. No.	Name of the Sellers	Nature of the entity	Promoter	Residential Address	No. of Shares held in SHCPL	% of Share Capital
1.	L.S Patil	Individual	Yes	8-2-293/82/HH/83&84, Huda Heights, MLA Colony, Road 12, Banjara Hills, Hyderabad - 500034	5,981,260	40.25
2.	Padmaja Patil	Individual	Yes	8-2-293/82/HH/83&84, Huda Heights, MLA Colony, Road 12, Banjara Hills, Hyderabad - 500034	3,144,200	21.16
3.	S S Patil	Individual	Yes	8-2-293/82/HH/83&84, Huda Heights, MLA Colony, Road 12, Banjara Hills, Hyderabad - 500034	311,100	2.09
4.	Nanda Patil	Individual	Yes	Sangam Complex, SB Temple Road, Gulbarga.	124,500	0.84
5.	Shailaja S Patil	Individual	Yes	Sangam Complex, SB Temple Road, Gulbarga.	98,700	0.66
6.	Shobha S Patil	Individual	Yes	Sangam Complex, SB Temple Road, Gulbarga.	54,080	0.36
7.	Siddling S Patil	Individual	Yes	Sangam Complex, SB Temple Road, Gulbarga.	41,100	0.28
8.	V.S Murthy	Individual	Yes	205 & 206, Amarchand Sharma Complex, Sardar Patel Road, Secunderabad	100	0.001
9.	Sarojindevi Patil	Individual	Yes	Sangam Complex, SB Temple Road, Gulbarga.	100	0.001
10.	S R Patil	Individual	Yes	Siddilinga Krupa, Nehru Gunj, Gulbarga	100	0.001
	TOTAL				9,755,240	65.64

- B.2. None of the Sellers as mentioned above have been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992 and subsequent amendments thereto or under any other regulations made under the SEBI Act, 1992.
- B.3. Manager to the Offer i.e. Corporate Professionals Capital Private Limited does not hold any Equity Shares in the Target Company as on the date of appointment as Manager to the Offer. They declare and undertake that they shall not deal in the Equity Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of this Open Offer.
- (C) Sangam Health Care Products Limited ("Target Company"/"SHCPL"): Sangam Health Care Products Limited was incorporated on December 13, 1993, under the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh and obtained its certificate of commencement of business on January 3, 1994. The name of the Target Company has not changed since its incorporation. The registered office of SHCPL is situated at 205 & 206, Amarchand Sharma Complex, S.P Road, Secunderabad- 500002, Telangana.
- C.2. The shares of the Target Company are presently listed on BSE Limited (BSE) and Bangalore Stock Exchange Limited (BgSE). However, the trading in the equity shares is suspended on both BSE as well as BgSE since September 10, 2001 and May 4, 2006 respectively. Accordingly, 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. The authorised share capital of the Target Company as on the date is Rs. 150,000,000 (Rupees Fifteen Crore Only) consisting of 15,00,000 (One Crores Fifty Lacs) Equity Shares of Rs. 10 each. The issued and paid up share capital of the Target Company as on the date is Rs.148,607,000 (Rupees Fourteen Crores Eighty Six Lacs Seven Thousand Only) divided into 14,860,700 (One Crore Forty Eight Lacs Sixty Thousand Seven Hundred) Equity Shares of Rs.10 each of which only 8,160,700 (Eighty One Lacs Sixty Thousand Seven Hundred) Equity Shares of Rs.10 each are listed.
- C.3. 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.
- C.4. Key financial information of the Target Company based on the audited standalone financial statements for the financial year ended March 31, 2013, March 31, 2012 and March 31, 2011 and unaudited standalone financial statement for the financial year ended March 31, 2014 are as follows:

Sr. No.	Particulars	Year Ended March 31, 2014 (Unaudited)	Year ended March 31, 2013 (Audited)	Year ended March 31, 2012 (Audited)	Year ended March 31, 2011 (Audited)
1.	Total Revenue (Rs. in lacs)	2054.42	764.30	5241.72	4292.42
2.	Net Income (Rs. in lacs)	(936.25)	(3864.43)	48.5	33.79
3.	Earnings Per share (In Rs.)	(6.30)	(26)	0.33	0.23
4.	Net worth/shareholders' funds (Rs. in lacs)	(3,543.39)	(2607.13)	1257.30	1208.80

Source- As certified by Mr. Jayant Palnitkar (Membership No. 20851), Partner of Jayant & Sadashiv, Chartered Accountant having office at 404 & 405, Sanatana Eternal, 3-6-108/1, Liberty Road, Himaynagar, Hyderabad- 500029; Tel.: 040-66361177 vide certificate dated June 27, 2014.

(D) Details of the Open Offer:

- D.1. The Acquirers are making an Open Offer to acquire 3,863,782 (Thirty Eighty Lacs Sixty Three Thousand Seven Hundred and Eighty Two) Equity Shares of the face value Rs. 10 each, being 26% of the present issued, subscribed and paid up capital of the Target Company at a price of Rs. 0.50/- (Fifty Paisa Only) per fully paid up Equity Share payable in cash, subject to the terms and conditions as set out in PA, this Detailed Public Statement, and the Letter of Offer, that will be sent to the shareholders of the Target Company.
- D.2. This Offer is made to all the shareholders of the Target Company, other than the parties to the SPA dated June 27, 2014 as given in Paragraph II (A).
- D.3. The offer would be subject to the receipt of statutory and other approvals as mentioned in Part VI of this DPS. In terms of Regulation 23(1)(a) of SEBI (SAST) Regulations, if the statutory approvals are not received or refused, the offer would stand withdrawn.
- D.4. This Offer is not conditional on any minimum level of acceptance by the equity shareholders of the Target Company. The acquirers will acquire all the Equity Shares of the Target Company that are validly tendered as per the terms of the Offer upto a maximum of 3,863,782 (Thirty Eighty Lacs Sixty Three Thousand Seven Hundred and Eighty Two) Equity Shares being 26% of the present issued, subscribed and paid-up capital of the Target Company.
- D.5. In case of over subscription in the Offer, acceptance would be determined on proportionate basis and hence there is no certainty that all the Equity Shares tendered by the shareholder(s) in the Open Offer will be accepted.
- D.6. This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of shares of the Target Company.
- D.7. There are no conditions stipulated in the SPA between the Sellers and the Acquirers, the meeting of which would be outside the reasonable control of the Acquirers and in view of which the Offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations.
- D.8. The Acquirers do not directly hold any equity shares in the Target Company as on the date of this DPS except the shares proposed to be acquired in terms of SPA dated June 27, 2014.
- D.9. In case of delay in receipt of any statutory approval, Regulation 18(11) of SEBI (SAST) Regulations shall be adhered to, i.e. extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company shall be allowed subject to the Acquirers agreeing to pay interest as directed by the SEBI, in exercise of SEBI's powers in this specific regard. Further, in case the delay occurs on account of willful default by the Acquirers in obtaining any statutory approvals in time, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of regulation 17 of SEBI (SAST) Regulations.
- D.10. The Equity Shares of the Target Company will be acquired by the Acquirers as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared therefor.

- (E) The Acquirers do not have any plans to alienate any significant assets of the Target Company or any of its subsidiaries whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. SHCPL's future policy for disposal of its assets, if any, for 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.
- (F) Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirer will hold 13,619,022 (One Crore Thirty Six Lacs Nineteen Thousands and Twenty Two Only) Equity Shares constituting 91.64% of the present issued, subscribed and paid up equity share capital of the Target Company.
- (G) Pursuant to this Open Offer, if the public shareholding in the Target Company reduces below the minimum public shareholding required as per the Securities Contracts (Regulation) Rules, 1957 as amended and the Listing Agreement, the Acquirers undertake that they 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 and the Regulations 7(4) and 7(5) of the SEBI (SAST) Regulations and reduce the non-public shareholding within the time period mentioned therein.

II. BACKGROUND TO THE OFFER

- (A) The Acquirers have entered into an SPA dated June 27, 2014 with the promoters of the Target Company namely L.S Patil, Padmaja Patil, S S Patil, Nanda Patil, Shailaja S Patil, Shobha S Patil, Siddling S Patil, V.S Murthy, Sarojindevi Patil and S R Patil (hereinafter referred to "Sellers" for acquisition of 9,755,240 (Ninety Seven Lakhs Fifty Five Thousand Two Hundred and Forty Only) fully paid-up Equity Shares ("Sale Shares") of face value of Rs. 10 (Rupees Ten) each representing 65.64% of the present issued, subscribed and paid-up capital of the Target Company at a price of Rs. 0.50/- (Fifty Paisa Only) per fully paid-up equity shares aggregating to Rs.4,877,620 (Rupees Forty Eight Lakhs Seventy Seven Thousand Six Hundred and Twenty Only) paid in cash.
- (B) The salient features of the SPA are as follows:
- SPA dated June 27, 2014 between the Acquirers and Sellers to acquire 9,755,240 (Ninety Seven Lakhs Fifty Five Thousand Two Hundred and Forty Only) fully paid up Equity Shares representing 65.64% of the present issued, subscribed and paid up equity share capital of the Target Company at a price of Rs.0.50/- (Rupee Fifty Paisa Only) per share.
 - The total consideration for the sale shares is Rs. 4,877,620/- (Rupees Forty Eight Lakhs Seventy Seven Thousand Six Hundred and Twenty Only).
 - The Acquirers agree to take steps to comply with the Regulations and to comply with all laws that may be required to give effect to the sale shares.
 - On compliance of the Regulations by the Acquirers, the delivery of the shares would be deemed to have taken effect in pursuance of the SPA and that the payment made/to be made by the Acquirers to the Sellers shall be appropriated by the Sellers towards the sale of Sale Shares.
 - 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 Acquirers.

- (C) 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 Acquirers shall hold the majority of the Equity Shares by virtue of which they shall be in a position to exercise effective control over the management and affairs of Target Company.
- (D) Subject to satisfaction of the provisions under the Companies Act, 2013 and/or and other Regulation(s), the Acquirers intend to make changes in the management of the Target Company.
- (E) Both the Target Company as well as the Acquirers are in the same line of business i.e. manufacturing and marketing of I V Sets. The intention of the acquirers is to increase the production and sales of the existing products of the Target Company as well as to add new products so that all products can be provided in one basket. The proposed acquisition and subsequent expansion plan would increase the employment in the area.

III. SHAREHOLDING AND ACQUISITION DETAILS

The current and proposed shareholding of the Acquirers in the Target Company and the details of its acquisition are as follows:

Details	Acquirer 1		Acquirer 2		Acquirer 3		Acquirer 4	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Shareholding as on the PA date	NIL	-	NIL	-	NIL	-	NIL	-
Shares acquired between the PA date and the DPS date	NIL	-	NIL	-	NIL	-	NIL	-
Open offer shareholding (On Diluted basis, as on 10th working day after closing of tendering period)	13,619,022 Equity Shares constituting 91.64 % of the present issued, subscribed and paid up capital of the Target Company (assuming full acceptance in th offer)							

IV. OFFER PRICE

- (A) The Equity Shares of the Target Company are listed on BSE and BgSE (together referred to as "Stock Exchange"). However, the trading in the equity shares is suspended at both BSE and BgSE since September 10, 2001 and May 4, 2006 respectively.
- (B) The 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 (June 1, 2013 to May 30, 2014) is as given below:

Stock Exchange	Total No. of equity shares traded during the Twelve calendar months prior to the month of PA	Total No. of Equity Shares	Annualised Trading Turnover (as % of Total Equity Shares)
BSE	Nil	14,860,700	Nil
BgSE	Nil	14,860,700	Nil

(Source: www.bseindia.com)

- (C) Since the trading in the equity shares of the Target Company is suspended at all the Stock Exchanges where its shares are listed, therefore, 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).
- (D) The Offer Price of Rs.0.50 (Fifty Paisa only) is justified, in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of the following:

(a) Negotiated Price	Rs. 0.50 per share
(b) The volume-weighted average price paid or payable for acquisition whether by the Acquirer or by any person acting in concert with him, 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 or by any person acting in concert with him, during 26 weeks immediately preceding the date of the PA	Not Applicable

Other Parameters*	Based on the audited financial data for the year ended March 31, 2013	Based on the unaudited financial data for the year ended March 31, 2014
Return on Net Worth (%)	Nil	Nil
Book Value per share (Rs.)	(17.54)	(23.84)
Earning per share (Rs.)	(26)	(6.30)

*Source- As certified by Mr.Jayant Palnitkar (Membership No. 20851), Partner of Jayant & Sadashiv, Chartered Accountant having office at 404 & 405, Sanatana Eternal, 3-6-108/1, Liberty Road, Himaynagar, Hyderabad-500029; Tel.: 040-66361177 vide certificate dated June 27, 2014.

In view of the parameters considered and presented in table above, in the opinion of the Acquirers and Manager to the Offer, the Offer Price of Rs. 0.50/- (Fifty Paisa Only) per share is justified in terms of Regulation 8 of the SEBI (SAST) Regulations.

- (E) There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.
- (F) In the event of further acquisition of Equity Shares of the Target Company by the Acquirers 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(i) 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.
- (G) If the Acquirers 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 Acquirers 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.
- (H) 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 Acquirers 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.

- (I) 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.

V. FINANCIAL ARRANGEMENTS

- (A) The total fund requirement for the Offer (assuming full acceptances) i.e. for the acquisition upto 3,863,782 Equity Shares from the public shareholders of the Target Company at an Offer Price of Rs. 0.50 (Fifty Paisa only) per fully paid up equity share is Rs.19,31,891 (Rupees Nineteen Lakhs Thirty One Thousand Eight Hundred Ninety One Only) (the "Maximum Consideration").
- (B) The Acquirers have adequate resources and has made firm financial arrangements for financing the acquisition of the Equity Shares under the Offer in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The acquisition will be financed through internal resources.
- (C) The Acquirers, the Manager to the Offer and DCB Bank Limited (formerly known as Development Credit Bank Limited), a banking corporation incorporated under the Companies Act, 1956, and having one of its branch offices at 9-1-125/1 Sidharth Plaza, 44, Sarojini Devi Road, Secunderabad -500003 have entered into an escrow agreement dated June 30, 2014 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 acquirers have opened an Escrow Account bearing name and style as "**CCPCL-SHCPL - Open Offer Escrow Account**", the ("**Escrow Account**") and deposited cash of Rs. 485,000 (Rupees Four Lakhs Eighty Five Thousand Only) being more than 25% of the Maximum Consideration.
- (D) The Acquirers have authorized the Manager to the Offer to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

- (E) Mr. Srinivas Dubakunta, proprietor of D. Srinivas & Co., Chartered Accountants (Membership No. 212315) having office at 1-9-181/2, Ramnagar, Hyderabad - 500048, Mobile: 98496 36620, email: casrinivas@rediffmail.com has vide certificate dated June 27, 2014 certified that the Acquirers have sufficient resources to meet the fund requirement for the takeover of Target Company.
- (F) Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirers to fulfill the Acquirer's obligations through verifiable means in relation to the Offer in accordance with the Regulations.

VI. STATUTORY AND OTHER APPROVALS

- (A) Shareholders 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 Acquirers reserve 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.
- (B) As of the date of this DPS, 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 Acquirers 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.

- (C) In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- (D) The Acquirers do not require any approval from financial institutions/banks in India for the Offer.
- (E) There are no conditions stipulated in the SPA between the Sellers and the Acquirers, the meeting of which would be outside the reasonable control of the Acquirers and in view of which the Offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations, 2011.

VII. TENTATIVE SCHEDULE OF ACTIVITY

Activity	Date	Day
Public Announcement	June 27, 2014	Friday
Detailed Public Statement	July 4, 2014	Friday
Filing of draft offer document with SEBI	July 11, 2014	Friday
Identified Date*	August 8, 2014	Friday
Last date for a competing offer	July 25, 2014	Friday
Comments on the Offer by a Committee of Independent Directors constituted by the BODs of the Target Company	August 21, 2014	Thursday
Date by which Letter of Offer will be dispatched to the shareholders	August 21, 2014	Thursday
Upward Revision in Offer	August 20, 2014	Wednesday
Issue of advertisement announcing the schedule of activities for Open Offer, status of statutory and other approvals in newspapers and sending to SEBI, Stock Exchanges and Target Company	August 25, 2014	Monday
Offer Opening Date	August 26, 2014	Tuesday
Offer Closing Date	September 9, 2014	Tuesday
Last date of communicating of rejection/ acceptance and payment of consideration for accepted tenders/return of unaccepted shares	September 23, 2014	Tuesday
Filing of Report to SEBI by Manager to the Offer	September 30, 2014	Tuesday

*Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of equity shares of the Target Company (except the parties to SPA dated June 27, 2014) are eligible to participate in the Offer any time before the closure of the Offer.

VIII. PROCEDURE FOR TENDERING THE SHARES

- (A) All owners of equity shares, registered or unregistered, are eligible to participate in the Offer (except the parties to SPA dated June 27, 2014) anytime before closure of the Offer.
- (B) Letters of Offer (hereinafter referred to as "LOO"), specifying the detailed terms and conditions, together with Form of Acceptance cum acknowledgement ("Form of Acceptance") and Transfer deeds (For shareholders holding equity shares in Physical Form) will be dispatched to all the equity shareholders of SHCPL, whose names appear in its Register of Members on August 8, 2014, Friday the Identified Date, except the parties to SPA dated June 27, 2014.
- (C) Shareholders who hold equity shares of the Target Company in physical form and wish to tender their equity share pursuant to the Offer will be required to submit the duly completed Form of Acceptance cum acknowledgement, original Share Certificate(s), Transfer Deed(s) duly signed and witnessed and other documents as may be specified in the LOO, to the Registrar to the Offer either by Registered Post/Courier, at their own risk or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer i.e. September 9, 2014, Tuesday.
- (D) The Registrar to the Offer, M/s Beetal Financial & Computer Services Pvt. Ltd has opened a special depository account with Central Depository Services (India) Limited ("CDSL") for receiving equity shares during the offer from eligible shareholders who hold equity shares in demat form.
- (E) For shareholders holding equity shares in dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement and other documents as may be specified in the LOO to the Registrar to the Offer either by Registered Post/Courier or by hand delivery so as to reach on or before the date of closing of the business hours on the date of closure of the Offer i.e. September 9, 2014, Tuesday along with a photocopy of the delivery instructions in "Off market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of Sangam Health Care Products Limited- Open offer Escrow A/c ("Depository Escrow Account") filled in as per the instructions given below:

DP Name :	SMC Global Securities Limited- New Delhi
DP ID :	12019101
Client ID :	02239164
Depository :	Central Depository Services (India) Limited ("CDSL")

Shareholders having their beneficiary account in **National Securities Depository Limited ("NSDL")** shall use the inter-depository delivery instruction slip for the purpose of crediting their shares in favor of the Special Depository Account with CDSL.

- (G) In case of (a) shareholders who have not received the Letter of Offer, (b) unregistered shareholders, (c) owner of the shares who have sent the shares to the Target Company for transfer, may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by such shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with SHCPL), and witnessed (if possible) by the notary public or a bank manager or the member of the stock exchange with membership number, as the case may be, shall need to be provided so as to reach the Registrar to the Offer on or before the date of closing of the business hours on the date of closure of the Offer i.e. September 9, 2014, Tuesday. Such shareholders can also obtain the Letter of Offer from the Registrar to the Open Offer by giving an application in writing to that effect.

- (H) In case of shareholders who have not received the LOO and holding equity shares in the dematerialized form may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of equity shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery