

**DRAFT LETTER OF OFFER**  
**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Draft Letter of Offer (“**DLoF**”) is being sent to you as a Public Shareholder of Hypersoft Technologies Limited (“**TARGET COMPANY**” OR “**HYPERSOFT**”). If you require any clarifications about the action to be taken, you may consult your Stock Broker or Investment Consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer 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**

**Mr. Narra Purna Babu (“Acquirer-1”)**

residing at Kongapadu, Kongapadu Village, Addanki South, Addanki (South) (U),  
Prakasam District, Andhra Pradesh – 523201, Tel:+91- 9100432479

and

**Mr. Sudhakara Varma Yarramraju - (“Acquirer -2”)**

residing at Flat No. 006- C, Park Royal By Kranti, Kandiguda, Valluvar Nagar,  
Sainikpuri, Hyderabad– 500094, Telangana, Tel:+91- 9908458690

to acquire from the Public Shareholders upto 11,05,442 fully paid-up Equity Shares of face value of INR 10 each representing 26.00% of Voting Share Capital of the Target Company at a price of INR 11 per Equity Share (“**Offer Price**”), payable in cash in accordance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto (“**SEBI (SAST) Regulations**”)

OF

**HYPERSOFT TECHNOLOGIES LIMITED**

(CIN: L29309TG1983PLC003912)

**Registered Office:** Flat No. 28, Goyal Society, Moti Valley,  
Tirmulgerry, Secunderabad-500015, Telangana, India

**Tel. No.:** 040-27744413 / 040-27740559; **Email ID:** info@hypersoftindia.net;

**Website:** <http://www.hypersoftindia.com/>

**ATTENTION:**

- 1) This Offer is being made by the Acquirers pursuant to Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011.
- 2) This Offer is not a conditional offer in terms of Regulation 19 of the SEBI (SAST) Regulations, 2011 and is not subject to any minimum level of acceptance.
- 3) **This Open Offer is not a competing offer in terms of Regulation 20 of SEBI (SAST) Regulations, 2011.**
- 4) As on date of this DLOF, there are no Statutory Approvals required to acquire Equity Shares that are validly tendered pursuant to this Open Offer. However, in case of any other statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period, this Open Offer shall be subject to the receipt of such approvals.
- 5) If there is any upward revision in the Offer Price/Offer Size at any time prior to commencement of one (1) working day before the commencement of the Tendering Period in terms of the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement (“DPS”) was published. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, the same would be communicated within two working days by an announcement in the same newspapers in which the DPS had been published.
- 6) **There is no competing offer as on the date of this DLOF.**
- 7) **If there is a competing bid at any time hereafter, the offers under all subsisting bids will open and close on the same date.**
- 8) A copy of the Public Announcement (“PA”), Detailed Public Statement (“DPS”), Draft Letter of Offer (“DLoF”) and Letter of Offer (“LoF”) (including the Form of Acceptance-cum-Acknowledgement) is also available on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p><b>CIL Securities Limited</b>  <b>CIN:</b> L67120TG1989PLC010188  <b>Address:</b> 214, Raghava Ratna Towers,  Chirag Ali Lane, Abids, Hyderabad - 500001.  <b>Tel. No.:</b> 040 69011111/ 1158  <b>Email ID:</b> secretary@cilsecurities.com  <b>Contact Person:</b> Ms. Purva Singh  <b>Website:</b> www.cilsecurities.com  <b>SEBI Reg. No:</b> INM000009694</p>	 <p><b>CIL Securities Limited</b>  <b>CIN:</b> L67120TG1989PLC010188  <b>Address:</b> 214, Raghava Ratna Towers,  Chirag Ali Lane, Abids, Hyderabad - 500001.  <b>Contact No.:</b> 040 69011111/ 1157  <b>Email ID:</b> rta@cilsecurities.com and secretary@cilsecurities.com  <b>Contact Person:</b> Mr. V. S. M. Yadava Raju  <b>Website:</b> www.cilsecurities.com  <b>SEBI Reg. No:</b> INR000002276</p>
<b>Offer Opens on :</b> 1 <sup>st</sup> August, 2024	<b>Offer Closes on :</b> 14 <sup>th</sup> August, 2024

## TENTATIVE SCHEDULE OF MAJOR ACTIVITIES PERTAINING TO THE OFFER

Nature of Activity	Day & Date
Date of the Public Announcement	Friday, 7 <sup>th</sup> June, 2024
Date of publishing the Detailed Public Statement in the Newspapers	Friday, 14 <sup>th</sup> June, 2024
Date for filing of Draft Letter of Offer with SEBI	Monday, 24 <sup>th</sup> June, 2024
Last date for public announcement for competing offer(s)	Monday, 8 <sup>th</sup> July, 2024
Last date for receipt of SEBI observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager)	Monday, 15 <sup>th</sup> July, 2024
Identified Date*	Thursday, 18 <sup>th</sup> July 2024
Last date by which the LOF is to be dispatched to the Public Shareholders whose names appear on the register of members on the Identified Date	Thursday, 25 <sup>th</sup> July, 2024
Last date by which the committee of the independent directors of the Target Company is required to publish its recommendation to the Public Shareholders for this Open Offer	Tuesday, 30 <sup>th</sup> July, 2024
Last date for upward revision of the Offer Price and/or Offer Size	Wednesday, 31 <sup>st</sup> July, 2024
Date of publication of opening of Open Offer public announcement in the newspapers in which the DPS was published	Wednesday, 31 <sup>st</sup> July, 2024
Date of Commencement of the Tendering Period (“Offer Opening Date”)	Thursday, 1 <sup>st</sup> August, 2024
Date of Closing of the Tendering Period (“Offer Closing Date”)	Wednesday, 14 <sup>th</sup> August, 2024
Last date of communicating the rejection/ acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders	Thursday, 5 <sup>th</sup> September, 2024

*\* Identified Date is only for the purpose of determining the names of the shareholders (except the Acquirer and the Selling Shareholders) as on such date to whom the Letter of Offer will be sent. It is clarified that all the Public Shareholders (registered or unregistered) of the Target Company, are eligible to participate in this Offer any time during the tendering period of the Offer.*

***The above timelines are tentative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations and are subject to change for any reason, including, but not limited, to delays in receipt of approvals or comments from regulatory authorities).***

*Note: Where last dates are mentioned for certain activities, such activities may take place on or before the respective last dates.*

**RISK FACTORS RELATING TO THE TRANSACTION, THE PROPOSED OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRERS:**

**For capitalized terms used herein after, please refer to the definitions set out below:**

**A. Risk relating to underlying transaction:**

- 1) The Underlying Transaction is subject to various conditions as specified under the Share Purchase Agreement, including:
  - (a) Receipt of all statutory approvals as set out in Paragraph 7.4 titled as ‘Statutory Approvals’ of this Draft Letter of Offer and those which become applicable prior to the completion of this Offer;
  - (b) The satisfaction or waiver of the various conditions under the Share Purchase Agreement, including those conditions set out in paragraph 3.1 of this Draft Letter of Offer, and if these conditions are not satisfied or waived and subsequently terminated in accordance with the terms of the Share Purchase Agreement, then the Underlying Transaction may be terminated.
- 2) The Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

**B. Risk relating to the Offer:**

1. This Offer is a mandatory open offer to acquire up to 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company from the Public Shareholders. In the case of oversubscription in this Offer, as per the SEBI (SAST) Regulations, acceptance of the Equity Shares would be determined on a proportionate basis, and hence there is no certainty that all the Equity Shares tendered by the Public Shareholders in this Offer will be accepted.
2. As on the date of this Draft Letter of Offer, there are no statutory or other approvals required for the acquisition of the Equity Shares that are validly tendered pursuant to the Open Offer or to complete this Open Offer other than as indicated in paragraph 7.4 titled as ‘*Statutory Approvals*’ of this Draft Letter of Offer. However, in case any other statutory approvals become applicable and are required at a later date before the closure of the Offer Period, this Open Offer shall be subject to receipt of such further approvals. If there is a delay in receipt of any applicable statutory or other approvals, then the Open Offer process may be delayed beyond the dates indicated in the tentative schedule of major activities of the Open Offer disclosed in this Draft Letter of Offer. In case Equity Shares are tendered in the Open Offer and a delay is caused due to delay in receipt of any applicable statutory or other approvals, the payment of consideration to Public Shareholders whose Equity Shares have been accepted under the Open Offer as well as release of the lien marked against the Equity Shares not accepted by the Acquirers may be delayed.
3. In the event that:
  - a) Regulatory approval is not received in a timely manner, or
  - b) There is any litigation leading to stay on this Offer, or
  - c) SEBI instructs the Acquirers not to proceed with this Offer, then the Offer process may be delayed beyond the Schedule of Activities indicated in this Draft Letter of Offer. Consequently, payment of consideration to the Public Shareholders of the Target Company whose Equity Shares have been accepted in this Offer as well as the return of the Equity Shares not accepted by the Acquirers may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 18 (11) of the SEBI (SAST) Regulations, then SEBI may, if satisfied that the non-receipt of approvals was not attributable to any wilful default, negligence, or failure on the part of the Acquirers to diligently pursue such approvals, grant an extension for the purpose of completion of this Offer, subject to the Acquirers agreeing

to pay interest to the Public Shareholders for the delay beyond the 10th (Tenth) Working Day from the date of closure of the Tendering Period, as may be specified by SEBI.

4. Public Shareholders should note that the Equity Shares tendered by them and accepted in this Offer shall not be entitled to be withdrawn post-acceptance of such Equity Shares during the Tendering Period, even if the acceptance of such Equity Shares under this Offer and the payment of consideration gets delayed.
5. This Offer is subject to the receipt of statutory and regulatory approvals by the Acquirers. The Acquirers may not be able to proceed with this Offer in the event the approvals are not received in terms of Regulation 23 of the SEBI (SAST) Regulations. Further delay, if any, in the receipt of these approvals may delay completion of this Offer.
6. Non-residents and overseas corporate bodies ( 'OCBs') holding the Equity Shares must obtain all requisite approvals, if any, to tender the Equity Shares held by them in this Offer. Further, if the Public Shareholders who are not person's resident in India require any approvals (including from Reserve Bank of India or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirers reserves their right to reject such Equity Shares tendered under this Offer. If the Equity Shares are held under general permission of the Reserve Bank of India, the non-resident Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.
7. This Draft Letter of Offer/ and the Letter of Offer has not been filed, registered, or approved in any jurisdiction outside India. Recipients of this Draft Letter of Offer residing in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirers or the Manager to the Offer to any new or additional registration requirements.
8. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, and the appropriate course of action that they should take. The Acquirers do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.

### **C. Risks involved in associating with the Acquirers**

1. The Acquirers and Manager to the Offer make no assurance with respect to the financial performance of the Target Company and disclaim any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in this Open Offer.
2. The Acquirers intends to acquire up to 11,05,442 (Eleven Lakhs Five Thousand Four Hundred and Forty Two) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital of the Target Company, at an offer price of INR 11 (INR Eleven) per Equity Share, payable in cash, under the SEBI (SAST) Regulations. The Target Company does not have any partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Post this Offer, the Acquirers will have significant equity ownership and effective management control over the Target Company, pursuant to the provisions of Regulations 3(1) and 4 of the SEBI (SAST) Regulations.

3. The Acquirers makes no assurance with respect to the market price of the Equity Shares during the Offer Period and upon the completion of this Offer and disclaim any responsibilities with respect to any decision by the Public Shareholders on whether to participate in this Offer.
4. The Acquirers and the Manager to the Offer, accept no responsibility for the statements made otherwise than in the Offer Documents or in the advertisement or any materials issued by or at the instance of the Acquirers and the Manager to the Offer, and any person placing reliance on any other source of information would be doing so at its own risk.
5. The Acquirers does not make any assurance with respect to his investment or divestment decisions relating to their proposed shareholding in the Target Company.
6. Neither the Acquirers nor the Manager nor the Registrar to the Offer, accept any responsibility for any loss of documents during transit (including but not limited to Open Offer acceptance forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
7. As per Regulation 38 of SEBI (LODR) Regulations read with Rule 19A of the SCRR (*as defined below*), the Target Company is required to maintain at least 25.00% public shareholding, as determined in accordance with SCRR, on a continuous basis for listing.
8. For the purpose of disclosures in the Draft Letter of Offer information relating to the:
  - (a) Target Company has been obtained from publicly available sources or from the Target Company;
  - (b) The information pertaining to the Target Company contained in the Public Announcement or Detailed Public Statement or this Draft Letter of Offer or any other advertisement/ publications made in connection with the Offer has been compiled from information published or provided by the Target Company, or publicly available sources. Such information has not been independently verified either by the Acquirers or by the Manger to the Offer. The Acquirers does not accept any responsibility with respect to any misstatement of information disclosed pertaining to the Target Company.

**The risk factors set forth above pertaining to this Offer, 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 Public Shareholder in this Offer. Public Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for further risk with respect to their participation in this Offer. Each Public Shareholder of the Target Company is hereby advised to consult with their legal, financial, tax, investment, or other advisors and consultants of their choice, if any, for further risks with respect to each such Public Shareholder's participation in this Offer and related transfer of Equity Shares to the Acquirers.**

#### **CURRENCY OF PRESENTATION**

1. In this Draft Letter of Offer, all references to '₹', 'Rs.', 'Rupees', 'Re', 'Rupee', 'INR' are references to the official currency of India.
2. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/ or regrouping.

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## 1. ABBREVIATIONS/ DEFINITIONS

<b>Acquirer</b>	Mr. Narra Purna Babu, S/o Mr. Narra Subba Rao, Indian Resident, bearing PAN AECPN9608R, resident at Kongapadu, Kongapadu Village, Addanki South, Addanki (South) (U), Prakasam District- – 523201, Andhra Pradesh (“ <b>Acquirer-1</b> ”) and Mr. Sudhakara Varma Yarramraju, S/o Mr. Ravindra Raju Yarramraju, Indian Resident, bearing PAN AAXPY8880H, resident at Flat No. 006- C, Park Royal By Kranti, Kandiguda, Valluvar Nagar, Secunderabad, Sainikpuri, Hyderabad- 500094, Telangana. (“ <b>Acquirer -2</b> ”)
<b>Acquisition Window</b>	The facility for acquisition of Equity Shares through stock exchange mechanism pursuant to this Offer shall be available on the BSE, in the form of a separate window
<b>BSE</b>	BSE Limited
<b>Buying Broker</b>	CIL Securities Limited (Registration Number: INZ000169535)
<b>CIN</b>	Corporate Identification Number
<b>CDSL</b>	Central Depository Services (India) Limited
<b>Companies Act</b>	Companies Act, 1956 and Companies Act, 2013
<b>CP</b>	Conditions Precedent
<b>DP</b>	Depository Participant
<b>DPS/ Detailed Public Statement</b>	Detailed Public Statement relating to the Offer published on 14 <sup>th</sup> June, 2024
<b>DLOF/ Draft Letter of Offer</b>	This Draft Letter of Offer dated 24 <sup>th</sup> June, 2024
<b>Equity Shares</b>	Fully paid-up Equity Shares of the Target Company of face value INR 10 each
<b>Escrow Agreement</b>	Escrow Agreement entered between the Acquirers, the Escrow Banker and the Manager to the Offer
<b>Escrow Account</b>	Shall have the meaning given to it in paragraph 6.2.2 of this Draft Letter of Offer
<b>Escrow Bank</b>	ICICI Bank
<b>Face Value</b>	INR 10 per Equity Share
<b>FEMA</b>	Foreign Exchange Management Act, 1999, as amended from time to time
<b>FII/FPIs</b>	Foreign Institutional Investors / Foreign Portfolio Investors registered with SEBI
<b>Identified Date</b>	18 <sup>th</sup> July 2024 i.e., date falling on the tenth (10 <sup>th</sup> ) Working Day prior to the commencement of Tendering Period, for the purpose of determining the Public Shareholders to whom this Letter of Offer shall be sent.
<b>IDT</b>	Inter Depository Transfer
<b>IFSC</b>	Indian Financial System Code
<b>Income Tax Act</b>	Income Tax Act, 1961, as amended from time to time
<b>INR / Rs. / ₹</b>	Indian Rupees, the legal currency of India
<b>Manager/ Manager to the Offer</b>	CIL Securities Limited (Registration Number: INM000009694)
<b>MICR</b>	Magnetic Ink Character Recognition
<b>NSDL</b>	National Securities Depositories Limited
<b>NA/N.A.</b>	Not Applicable
<b>Non-Resident Share holder(s)</b>	Person’s resident outside India as defined under FEMA, holding Equity Shares of the Target Company
<b>NRI</b>	Non-Resident Indian
<b>NEFT</b>	National Electronic Funds Transfer
<b>OCBs</b>	Overseas Corporate Bodies



<b>Offer period</b>	Period from the date of entering into an agreement, to acquire Equity Shares, voting rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement and the date on which the payment of consideration to Shareholders who have accepted the Open Offer is made or the date on which the Open Offer is withdrawn
<b>Offer/Open Offer</b>	The Open Offer is made by the Acquirers to the Public Shareholders to acquire up to 11,05,442 Equity Shares representing 26.00% of Voting Share Capital of the Target Company
<b>Offer Price</b>	INR 11 (INR Eleven ) per Equity Share
<b>Offer Size</b>	Up to 11,05,442 Equity Shares representing 26.00% of Voting Share Capital of the Target Company at a price of INR 11 (INR Eleven) per Equity Share, aggregating to INR 1,21,59,862 (INR One Crore Twenty One Lakhs Fifty Nine Thousand Eight Hundred and Sixty Two)
<b>PA/Public Announcement</b>	Public Announcement of the Open Offer issued by the Manager to the Offer, on behalf of the Acquirers on 7 <sup>th</sup> June, 2024
<b>Public Shareholders</b>	The Equity Shareholders of the Target Company other than the Acquirer, Selling Shareholders of the Target Company
<b>Registrar/ Registrar to the Offer</b>	CIL Securities Limited (Registration Number: INR000002276)
<b>RTGS</b>	Real Time Gross Settlement
<b>Sale Shares</b>	20,34,440 Equity Shares of face value INR 10 each of Hypersoft Technologies Limited pursuant to SPAs
<b>SCRR</b>	Securities Contract (Regulation) Rules, 1957, as amended
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI Act</b>	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
<b>SEBI (LODR) Regulations, 2015</b>	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, and subsequent amendments thereof
<b>SEBI (SAST) Regulations, 2011/ Takeover Regulations</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
<b>Seller/Selling Shareholders</b>	1. Dadabhoy Russi Bhote, 2. Feroz Russi Bhote, 3. Kashmiri Dadabhoy Bhote, 4. Rustam Dadabhoy Bhote, 5. Urmez Feroz Bhote, 6. Ranjit Malik, 7. Ashu Verma, 8. Savio Pinto, 9. Rohinton Soli Jambusarwalla, 10. Pratap Kantheti, 11. Gandhi Kantheti, 12. Zen Securities Limited, 13. Hanumaiah S Kakuru, 14. Hufreez Rohinton Jambusarwalla, 15. Saam Astad Chinoy, 16. Ashish Saam Chinoy, 17. Laxmi Narayana Mamidala
<b>SPAs/Agreement</b>	Share Purchase Agreement dated 7 <sup>th</sup> June, 2024 entered between: a) Promoters and Acquirers and b) certain Public Shareholders and Acquirers
<b>Stock Exchange</b>	BSE Limited
<b>STT</b>	Securities Transaction Tax
<b>Target Company</b>	Hypersoft Technologies Limited
<b>Tendering Period</b>	The period commencing from 1 <sup>st</sup> August, 2024 and ending on 14 <sup>th</sup> August, 2024 both days inclusive
<b>Underlying Transactions</b>	The transaction for sale and purchase of the sale shares as contemplated under the SPAs
<b>Voting Share Capital</b>	The expected paid-up equity share capital of the Target Company as of the 10 <sup>th</sup> (Tenth) Working Day from the closure of the Tendering Period for the Offer
<b>Working Day</b>	Working day as defined under the SEBI (SAST) Regulations, 2011

## 2. DISCLAIMER CLAUSE

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF HYPERSOFT TECHNOLOGIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES AND CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, CIL SECURITIES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 24<sup>TH</sup> JUNE, 2024 TO SEBI IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011. THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.**

### **General Disclaimer**

This DLOF, the DPS and the PA in connection with the Offer, have been prepared for the purposes of compliance with the SEBI (SAST) Regulations. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside India. Neither the publication of the DPS nor the delivery of this DLOF, under any circumstances, create any implication that there has been no change in the affairs of the Target Company, the Sellers, the Acquirers or that the information contained herein is correct as at any time subsequent to this date. It is not to be implied that the Acquirers are under any obligation to update the information contained herein at any time after this date.

The Letter of Offer shall be dispatched to all Public Shareholders whose name appears on the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the Letter of Offer by any shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the DPS and/or the Letter of Offer under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only. Accordingly, no such public shareholder may tender his/her or its Equity Shares in this offer in such jurisdiction.

Persons in possession of the DPS and /or the Letter of Offer are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his/her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

### 3. DETAILS OF THE OFFER

#### 3.1. BACKGROUND OF THE OFFER

**3.1.1.** This is a mandatory Open Offer, made by Mr. Narra Purna Babu (“Acquirer-1”), Mr. Sudhakara Varma Yarramraju (“Acquirer -2”) in pursuance of and in compliance with Regulations 3(1) and 4 and other applicable provisions of the SEBI (SAST) Regulations for substantial acquisition of equity shares/ voting rights, accompanied with a change in management control of the Target Company.

**3.1.2.** The details of the transactions which has triggered the Open Offer are as under:

Pursuant to the Share Purchase Agreement (“SPAs”) entered into between the Acquirers and the Selling Shareholders of the Target Company on 7<sup>th</sup> June, 2024, Acquirers have agreed to acquire 20,34,440 Equity Shares representing 47.85% of the Voting Share Capital of face value INR 10 (INR Ten) each at a price of INR 11 (INR Eleven) per equity share for a total consideration of INR 2,23,78,840 being 100% of the total Purchase Consideration (“**Earnest Money Deposit**”) from the following Shareholders of the Target Company (“**Sellers**”):

Sl. No.	Name, PAN & Address	Part of Promoter/ Promoter Group (Yes/No)	Details of Shares Voting Rights held by the Selling Shareholders			
			Pre Transaction		Post Transaction	
			No of Shares	% vis a vis Total Share Capital	No of Shares	% vis a vis Total Share Capital
1.	Dadabhoy Russi Bhote	Yes	5,11,675	12.03%	NIL	NA
2.	Feroz Russi Bhote	Yes	6,41,650	15.09%	NIL	NA
3.	Kashmira Dadabhoy Bhote	Yes	2,54,000	5.97%	NIL	NA
4.	Rustam Dadabhoy Bhote	Yes	58,250	1.37%	NIL	NA
5.	Urmez Feroz Bhote	Yes	18,000	0.42%	NIL	NA
6.	Ranjit Malik	No	52,000	1.22%	NIL	NA
7.	Ashu Verma	No	30,500	0.72%	NIL	NA
8.	Savio Pinto	No	1,92,824	4.54%	NIL	NA
9.	Rohinton Soli Jambusarwalla	No	8,000	0.19%	NIL	NA
10.	Pratap Kantheti	No	15,300	0.35%	300	Negligible
11.	Gandhi Kantheti	No	25,541	0.60%	NIL	NA
12.	Zen Securities Limited	No	2,00,000	4.70%	NIL	NA
13.	Hanumaiah S Kakuru	No	10,000	0.24%	NIL	NA
14.	Hufreez Rohinton Jambusarwalla	No	2,500	0.06%	NIL	NA
15.	Saam Astad Chinoy	No	9,500	0.22%	NIL	NA
16.	Ashish Saam Chinoy	No	2,500	0.06%	NIL	NA
17.	Laxmi Narayana Mamidala	No	2,500	0.06%	NIL	NA
<b>TOTAL</b>			<b>20,34,740</b>	<b>47.85%</b>	<b>300</b>	<b>Negligible</b>

- 3.1.3.** Other than the Proposed Acquisition through SPAs with sellers as mentioned in paragraph 3.1.2 above, the Acquirers do not hold any equity shares in the target company.
- 3.1.4.** As on date, the above-mentioned Equity Shares are lying in the Escrow Demat Account opened for this purpose, which may be transferred to the demat account of the Acquirers, after the expiry of twenty-one (21) working days from the date of detailed public statement in compliance with Regulation 22(2) of SEBI (SAST) Regulations, 2011.
- 3.1.5.** Some of the Sellers are the Promoters of the Target Company and upon completion of the offer the selling promoter shareholder shall cease to be promoters of the target company and the Acquirers shall become the new promoter of the target company subject to, compliance with conditions stipulated in Regulation 31A of SEBI (LODR) Regulation.
- 3.1.6.** The salient features of the Share Purchase Agreement (“SPAs”) are as under:
1. A summary of the salient features of the SPA, which are all subject to detailed terms in the SPA, include the following:
    - (i) The Selling Shareholders shall sell to the Acquirers, subject to the fulfilment of the conditions specified above, and relying on the several representations and undertakings of the Selling Shareholders hereinafter contained, Acquirers shall purchase the said shares, free from all encumbrances and defects on the purchase price and on the terms and conditions hereinafter contained.
    - (ii) The Acquirers will acquire 20,34,440 Equity Shares representing 47.85% of the Voting Share Capital of the Company pursuant to Share Purchase Agreement dated 7<sup>th</sup> June, 2024 from Selling Shareholders of the Target Company, the Purchase Consideration for the said Shares shall be INR 11 per share aggregating to INR 2,23,78,840 (INR Two Crore Twenty-Three Lakhs Seventy-Eight Thousand Eight Hundred and Forty Rupees Only) (“Earnest Money Deposit”). The Acquirers have paid the Purchase Consideration related to the said shares subject to such terms and conditions as mentioned in the SPAs and as per Regulation 22 of SEBI (SAST) Regulations, 2011.
    - (iii) The Selling Shareholders have transferred 20,34,440 equity shares to the Demat Escrow Account opened for this purpose on execution of SPAs. The Manager to the Offer shall ensure that the Acquirers shall get the shares transferred in their name post completion of the Open Offer formalities or change in control as per Regulation 22 of SEBI (SAST) Regulations.
    - (iv) The Closure shall be achieved within such period as specified in Regulation 22(3) of SAST Regulations. The Closing Date may be extended by SEBI in accordance with the proviso of Regulation 22(3) of SAST Regulations (“Closing Date”). However, in compliance with Regulation 22(2) of SAST Regulations and other relevant provisions of the SAST Regulations, the Acquirers may after the expiry of twenty-one (21) working days from the date of detailed public statement, act upon the transaction contemplated under this Agreement.
    - (v) The SPA may be terminated upon the occurrence of any of the following events each of which events are outside the reasonable control of the Acquirers as detailed in SPA.
      - a. If the Acquirers and/or Sellers fail to comply with the provisions of the SEBI (SAST) Regulations, the SPA may be terminated before the closing and shall not be acted upon; or
      - b. If the Acquirers and/or Seller(s) are declared insolvent or bankrupt or are unable to pay its debts or makes a composition with its creditors; or
      - c. If any governmental action is taken debarring the Target Company from carrying on business or rendering it impossible to transact the business of the Target Company, or
      - d. If the Target Company is to be dissolved or wound up either voluntarily or compulsorily or if an order is made or an effective resolution is passed for the winding up of the Target Company.

2. Pursuant to SPA, the Acquirers are making the open offer in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations, 2011 to acquire upto 11,05,442 equity shares of face value of INR 10 each, representing 26.00% of the Voting share capital of the Target Company at a price of INR 11 per equity share, (“Offer Price”), payable in cash subject to the terms and conditions set out in the Public Announcement, this Detailed Public Statement and the Letter of Offer that will be sent to the Public Shareholders of the Target Company. The Offer price is payable in cash, in accordance with Regulation 9(1)(a) of SEBI (SAST) Regulations, 2011.
3. The Acquirers would like to pursue the objects as per the MOA of the Company. However, software’s developed by the Target Company shall be retained by the outgoing promoters.
4. The Object of the takeover is substantial acquisition of shares/ voting rights and taking control over the Management of the Target Company.

### **3.1.7. CONDITIONS OF AGREEMENT**

#### **Conditions Precedent**

The Purchase of the Shares by the Acquirers is subject to the fulfilment by each party to the SPAs of the following conditions precedent. “The approvals, if any, from the Authorities to be obtained by the Parties to SPAs, at their own cost and such approvals should be unconditional or if subject to conditions, the conditions are not unusual or onerous.”

#### **Compliance with Takeover Regulations:**

- (i) The sale and purchase of the said Shares shall be subject to compliance with the provisions of the Takeover Regulations.
- (ii) The Promoter Sellers shall cause the Company to comply with the provisions of the Takeover Regulations.
- (iii) In case of non-compliance with any of the provisions of the Takeover Regulations by either of the parties, this agreement for Sale of Shares shall not be acted upon by either Selling Shareholders or the Acquirers.
- (iv) The Acquirer, Selling Shareholders undertake that, if the public shareholding in the Company fall below the limit specified in Listing Agreement with Stock Exchange for the purpose of listing on continuous basis, pursuant to the Agreements and Open Offer, the Acquirers will maintain the minimum specified public shareholding in the Company.

**3.1.8.** The above-mentioned Sellers are not prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended thereof or under any other regulation made under the SEBI Act, 1992.

**3.1.9.** The Proposed change in control of the Target Company is not through any Scheme of Arrangement.

**3.1.10.** There may be changes in the composition of Board of Directors of the Target Company after the completion of offer, in accordance with applicable laws (including without limitation, the Companies Act, 2013, the SEBI (LODR) Regulations and Regulation 24 of the SEBI (SAST) Regulations, 2011. No proposal in this regard has been finalized as on the date of this DLOF.

**3.1.11.** As per Regulation 26(6) of the SEBI (SAST) Regulations, 2011, the Board of Directors are required to constitute a committee of Independent Directors to provide reasoned recommendation on this Offer to the Public Shareholders. Such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST)

Regulations.

### 3.2. DETAILS OF THE PROPOSED OFFER

3.2.1. The Public Announcement announcing the Open Offer under Regulations 3(1) and 4 read with Regulation 13, 14 and 15 of the SEBI (SAST) Regulations, 2011 was made on 7<sup>th</sup> June, 2024 and was filed with Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and the Target Company on the same day through e-mail and the hard copy was submitted to Securities and Exchange Board of India (“SEBI”) on 7<sup>th</sup> June, 2024.

3.2.2. In accordance with Regulation 13(4) and 14(3) of the SEBI (SAST) Regulations, the DPS was published on 14<sup>th</sup> June, 2024 in the following newspapers:

S.no	Newspapers	Language	Editions
1.	Business Standard	English	All Editions
2.	Business Standard	Hindi	All Editions
3.	Ninadam	Telugu	Hyderabad Edition
4.	Mumbai Lakshadweep	Marathi	Mumbai Edition

*The Public Announcement and Detailed Public Statement are also available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)., BSE at [www.bseindia.com](http://www.bseindia.com) and Manager to the Offer at [www.cilsecurities.com](http://www.cilsecurities.com).*

3.2.3. Acquirers are making this Open Offer in terms of Regulations 3(1) and 4 of SEBI (SAST) Regulations to acquire upto 11,05,442 (Eleven Lakhs Five Thousand Four Hundred and Forty-Two) equity shares of INR 10 (INR Ten) each representing 26.00%, of the Voting Share Capital at a price of INR 11 (INR Eleven) aggregating to a total consideration of INR 1,21,59,862 (INR One Crore Twenty-One Lakhs Fifty-Nine Thousand Eight Hundred and Sixty-Two) (“**Maximum Consideration**”) (assuming full acceptance), payable in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and subject to terms and conditions set out in the Public Announcement, Detailed Public Statement and this Draft Letter of Offer.

3.2.4. The Acquirers will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer up to a maximum of 11,05,442 Equity Shares representing 26.00% of the Voting Share Capital of the Target Company. If the aggregate number of Equity Shares validly tendered in this Offer by the Public Shareholders, is more than the Offer Size, then the Equity Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 11,05,442 (Eleven Lakhs Five Thousand Four Hundred and Forty-Two) Equity Shares, representing 26.00% (Twenty-Six Percent) of the Voting Share Capital, in consultation with the Manager.

3.2.5. There is no differential pricing for the Offer.

3.2.6. This is not a Competing Offer in terms of Regulation 20 of the Regulations.

3.2.7. No competing offer has been received as on date of this Draft Letter of Offer.

3.2.8. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 (1) of SEBI (SAST) Regulations.

3.2.9. The Equity Shares will be acquired by the Acquirers 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.

- 3.2.10.** The Acquirers have not acquired any shares of the Target Company after the date of PA i.e. 7<sup>th</sup> June, 2024 and up to the date of this DLOF.
- 3.2.11.** The Acquirers intend to retain the listing status of the Target Company and no delisting offer is proposed to be made.
- 3.2.12.** The Acquirers shall not be eligible to make a voluntary delisting offer under the SEBI (Delisting of Equity Shares) Regulations, 2021, unless a period of twelve months have elapsed from the date of completion of the offer period as per regulation 7(5) of the SEBI (SAST) Regulations, 2011.
- 3.2.13.** Pursuant to Regulation 12 of the SEBI (SAST) Regulations, the Acquirers have appointed CIL Securities Limited as the Manager to the Offer.
- 3.2.14.** The Acquirers will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, 2011 in the event Statutory Approvals are refused. In the event of withdrawal of this Offer, a Public Announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which the DPS has been published and such Public Announcement will also be sent to SEBI, Stock Exchange and the Target Company.
- 3.2.15.** As on date, the Manager to the Offer, CIL Securities Limited does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations, 2011.
- 3.2.16.** As per Regulation 38 of SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended (“SCRR”), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing.

### **3.3 OBJECT OF THE OFFER**

- 3.3.1.** The Object of the acquisition is substantial acquisition of Shares/Voting Rights of the Target Company and to take control over the management of the Target Company.
- 3.3.2.** At present, the Acquirers would like to pursue the business as given in the Company’s object. The Acquirers may diversify into new businesses with the prior approval of the Shareholders. The Acquirers may reorganize the present Capital structure of the Company and also further strengthen the Board.
- 3.3.3.** The Acquirers do not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, after 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 the SEBI (SAST) Regulations.
- 3.3.4.** The Acquirers aim to leverage synergies in technology and market reach to drive growth. A substantial investment in R&D will foster innovation and expand their market presence both domestically and internationally. Their goal is to diversify software products and services using advanced technologies, focusing on Manufacturing, Aerospace, Healthcare, and Retail industries. Expansions will create new jobs, attracting top talent, while existing employees will benefit from professional development opportunities.

## **4. BACKGROUND OF THE ACQUIRERS**

### **4.1 Information about (“ACQUIRER-1”)**

- 4.1.1** Mr. Narra Purna Babu (hereinafter referred to as “Acquirer-1”) S/o Mr. Narra Subba Rao, aged about 45 years, Indian Resident bearing PAN AECPN9608R, resident at Kongapadu, Kongapadu Village, Addanki South, Addanki (South) (U), Prakasam District- 523201, Andhra Pradesh. His mobile number is +91 9100432479 and Email ID is write2narra@gmail.com.
- 4.1.2** He is having more than 25 years of experience in Information Technology and Business Management, does not hold any position on the Board of Directors of any Listed or Unlisted Company as on this date of Draft Letter of Offer.
- 4.1.3** The Networth of the Acquirer-1 is INR 13,45,56,281 (Thirteen Crore Forty-Five Lakhs Fifty-Six Thousand Two Hundred and Eighty-One) as on 29<sup>th</sup> May, 2024 as certified vide certificate dated 29<sup>th</sup> May, 2024 issued by G M K & CO LLP, Chartered Accountants, signed by its partner CA Rajdeep Lawrence G (Membership No. 242206) having office at 8-3-314/1/2, 1st Floor, Edsel Home, Maruthi Nagar, Yousufguda, Hyderabad– 500045, Telangana, India, UDIN 24242206BKFVKA4388.
- 4.1.4** In accordance with Chapter V of SEBI (SAST) Regulations, as on date of this DLOF, Acquirers do not hold any Equity Share of the Target Company. However, Acquirer-1 has entered into a Share Purchase Agreement (“SPAs”) on 7<sup>th</sup> June, 2024 to acquire 10,53,285 Equity Shares representing 24.77% of the Voting Share Capital of the Target Company from the Selling Shareholders.
- 4.1.5** The Acquirer-1 is not prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992, as amended or any other Regulations made under the SEBI Act.
- 4.1.6** Based on the information available, the Acquirer-1 is not in the list of ‘willful defaulters’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by RBI and are in compliance with Regulation 6A of SEBI (SAST) Regulations, 2011.
- 4.1.7** Based on the information available, the Acquirer-1 is not declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) and are in compliance with Regulation 6B of SEBI (SAST) Regulations, 2011.
- 4.1.8** As on date, the Acquirers do not have any relationship with/ interest in the Target Company, except for the proposed acquisition of 20,34,440 Equity Shares representing 47.85% of the Voting Share Capital of the Target Company through Share Purchase Agreement. As on date, neither the Acquirers nor any of their representatives are on the Board of the Target Company.

### **4.2 Information about (“ACQUIRER-2”)**

- 4.2.1** Mr. Sudhakara Varma Yarramraju (hereinafter referred to as “Acquirer-2”) S/o Mr. Ravindra Raju Yarramraju, aged about 46 Years, Indian Resident, bearing PAN AAXPY8880H, resident at Flat No. 006- C, Park Royal By Kranti, Kandiguda, Valluvar Nagar, Sainikpuri, Hyderabad- 500094, Telangana. His mobile number is +91 9908458690 and Email ID is [yarramrajus@gmail.com](mailto:yarramrajus@gmail.com).



Acquirer-2 is qualified in Bachelor of Computer Science, having more than 21 years of experience in the field of IT Business Consulting and Administration. His DIN is 07645088 and as on the date of this Draft Letter of Offer, Acquirer-2 does not hold any position on the Board of Directors of any Listed Company nor is a whole time director in any Listed Company. However, he is a Director in following unlisted Companies:

<b>S.no</b>	<b>Name of the Company</b>
<b>1.</b>	IT Stanner Private Limited
<b>2.</b>	NX Global Private Limited
<b>3.</b>	Yarramraju Industries Private Limited
<b>4.</b>	ROBOXA Technologies Private Limited

**4.2.2** The Networth of the Acquirer-2 is 6,45,60,368 (INR Six Crore Forty-Five Lakhs Sixty Thousand Three Hundred and Sixty-Eight) as on 29<sup>th</sup> May, 2024 as certified vide certificate dated 29<sup>th</sup> May, 2024 issued by KMH & CO, Chartered Accountants, signed by its partner CA Hareesh Nimmagadda (Membership No. 274876) having office at 2-22-310/23C, 3rd Floor Sri Lakshmi Nilayam, 2nd Lane Addagutta, Kukkatpally Hyderabad – 500072, UDIN 24274876BKAGPM9316.

**4.2.3** In accordance with Chapter V of SEBI (SAST) Regulations, as on date of this DLOF, Acquirer-2 does not hold any Equity Share of the Target Company. However, Acquirer-2 has entered into a Share Purchase Agreement (“SPAs”) on 7<sup>th</sup> June, 2024 to acquire 9,81,155 Equity Shares representing 23.08% of the Voting Share Capital of the Target Company from the Selling Shareholders.

**4.2.4** The Acquirer-2 is not prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992, as amended or any other Regulations made under the SEBI Act.

**4.2.5** Based on the information available, the Acquirer-2 is not in the list of ‘willful defaulters’ issued by any bank, financial institution, or consortium thereof in accordance with guidelines on willful defaulters issued by RBI and are in compliance with Regulation 6A of SEBI (SAST) Regulations, 2011.

**4.2.6** Based on the information available, the Acquirer-2 is not declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018) and are in compliance with Regulation 6B of SEBI (SAST) Regulations, 2011.

**4.2.7** As on date, the Acquirers do not have any relationship with/ interest in the Target Company, except for the proposed acquisition of 20,34,440 Equity Shares representing 47.85% of the Voting Share Capital of the Target Company through Share Purchase Agreement. As on date, neither the Acquirers nor any of their representatives are on the Board of the Target Company.

## **5. BACKGROUND OF THE TARGET COMPANY- HYPERSOFT TECHNOLOGIES LIMITED**

**5.1** Hypersoft Technologies Limited (CIN: L29309TG1983PLC003912) was incorporated originally as V.V. Circuits Private Limited on 18<sup>th</sup> April, 1983 as a Private Limited Company under the Indian Companies Act, 1956. The name of the Company was changed to V.V. Circuits Limited under Section 21 of the Companies Act, 1956 with effect from 20<sup>th</sup> February, 1996 upon conversion from Private to Public Company. The name was further changed to Hypersoft Technologies Limited with effect from 17<sup>th</sup> February, 2000. The equity shares of the Target Company got listed on Bombay Stock Exchange on March 10, 2016 and was previously listed on the Ahmedabad Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange.

5.2 The Registered Office of Hypersoft Technologies Limited is currently situated at Flat no. 28, Goyal Society, Moti Valley, Tirmulgerry, Secunderabad – 500015 Telangana, India.

5.3 The Target Company is a software product and software services company. The Acquirers would like to pursue the business as given in the Company's object.

5.4 The Authorized Share Capital of the Target Company is INR 6,00,00,000 comprising of 60,00,000 equity shares of Face Value INR 10 (INR Ten) each. The issued, subscribed, paid-up and voting share capital of the Target Company as on date stands at INR 4,25,17,000 (INR Four Crore Twenty-Five Lakhs Seventeen Thousand) comprising of 42,51,700 (Forty-Two Lakhs Fifty-One Thousand and Seven Hundred) fully paid-up equity shares of Face Value of INR 10 (INR Ten) each.

5.5 The Equity shares of the Target Company are currently listed on BSE (Main Board) having Scrip Code 539724 and ISIN INE039D01014. There are currently no outstanding partly paid-up shares or any other instruments convertible into Equity Shares of the Target Company.

5.6 The equity shares of the Target Company are frequently traded during Twelve (12) Calendar months preceding the month of Public Announcement (June, 2023 to May, 2024) within the meaning & explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.7 As on date, the Target Company is fully compliant with the listing requirement.

#### 5.8 Share Capital Structure:

The Equity Share Capital Structure of the Target Company is as follows:

<b>Paid-up Shares</b>	<b>No. of Equity Shares/Voting Rights</b>
Fully Paid-up Equity Shares	42,51,700
Partly Paid-up Equity Shares	NIL
Total Paid-up Equity Shares	42,51,700
Total voting rights in Target Company	42,51,700

5.9 As on the date of this Draft Letter of Offer, there are no: (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company. Further, there is no differential pricing for the Offer.

5.10 The Target Company has not been a party to any scheme of amalgamation, restructuring, merger / de-merger, buy-back and spin off during the last 3 (Three) years.

5.11 Details of the Board of Directors of the Target Company:

As on the date, the Directors representing the Board of the Target Company are:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Designation</b>	<b>Date of Appointment</b>
1)	Feroz Russi Bhote	00156590	Managing Director	18/04/1983

2)	Joydip Lahiri	07385700	Independent Director	28/05/2018
3)	Geeta Bhote Feroz	06976756	Director	06/02/2015
4)	Umesh Chandra Lunker	01446435	Independent Director	23/05/2024

5.12 The Audited Key Financial Information for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 of the Target Company are as under:

*Statement of Assets and Liabilities:*

*(Amount in Lakhs)*

Particulars	For the yearended March 31, 2024 (Audited)	For the yearended March 31, 2023 (Audited)	For the yearended March 31, 2022 (Audited)
Revenue from Operations	82.67	86.95	95.30
Other Income	10.40	9.05	16.20
<b>Total Income</b>	<b>93.06</b>	<b>96.00</b>	<b>111.50</b>
<b>Total Expenditure</b>	<b>118.08</b>	<b>104.37</b>	<b>105.77</b>
<b>Profit/ (Loss) before Tax</b>	<b>(25.02)</b>	<b>(8.37)</b>	<b>5.73</b>
Add: Exceptional Items	39.55	0.00	0.00
Less: Current Tax	2.93	0.00	1.31
Deferred Tax	(0.53)	2.86	3.44
<b>Profit/ (Loss) After tax</b>	<b>(66.97)</b>	<b>(11.23)</b>	<b>0.98</b>
Paid up Share Capital	425.17	425.17	425.17
Forfeited Shares	24.05	24.05	24.05
Reserves & Surplus/ Other Equity	(227.59)	(126.25)	(116.59)
<b>Networth</b>	<b>221.63</b>	<b>322.97</b>	<b>332.63</b>
<b>Non -Current Liabilities</b>			
Other Non -Current Liabilities	0.00	0.00	1.35
Provisions	37.92	22.70	30.88
<b>Total Non-Current Liabilities</b>	<b>37.92</b>	<b>22.70</b>	<b>32.23</b>
<b>Current Liabilities</b>			
Borrowings	1.60	13.89	0.00
Trade Payable	1.51	2.81	1.52
Other Financial Liabilities	1.72	2.36	1.84
Provisions	8.88	6.90	7.12
Other Current Liabilities	5.66	2.17	5.07
<b>Total Current Liabilities</b>	<b>19.37</b>	<b>28.14</b>	<b>15.55</b>

<b>Total Liabilities</b>	<b>57.29</b>	<b>50.84</b>	<b>47.78</b>
<b>Total Equity and Liabilities</b>	<b>278.92</b>	<b>373.81</b>	<b>380.41</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	3.24	187.16	191.59
Other Intangible Assets	0.39	0.55	0.72
Other Financial Assets	3.07	3.07	3.07
Deferred tax asset	6.28	5.65	9.03
<b>Total Non-Current Assets</b>	<b>12.98</b>	<b>196.43</b>	<b>204.41</b>
<b>Current Assets</b>			
Inventories	0.00	37.00	41.00
Trade receivables	7.70	9.22	5.73
Cash and Cash equivalent	8.12	5.60	5.64
Other bank balance	237.62	115.27	110.00
Other financial assets	1.67	0.49	2.43
Current Tax Assets	6.66	6.22	7.41
Other Current Assets	4.17	3.59	3.79
<b>Total Current Assets</b>	<b>265.94</b>	<b>177.38</b>	<b>176.00</b>
<b>Total Assets</b>	<b>278.92</b>	<b>373.81</b>	<b>380.41</b>

*Financial Data:*

Particulars	For the Financial Year Ended		
	FY 2023-24	FY 2022-23	FY 2021-2022
	(Audited)	(Audited)	(Audited)
Dividend (%)	-	-	-
Earnings Per Share (₹)	(1.58)	(0.26)	0.02
Face Value Per Share (₹)	10	10	10
Book Value (₹)	5.21	7.60	7.82

**5.13 Pre and Post-Offer Shareholding Pattern of the Target Company as on date of DLOF are as follows:**

Sr. No.	Shareholders' Category	Shareholding/ Voting Rights prior to SPA, Acquisition & Offer		Shares/Voting Rights agreed to be acquired which triggered the Regulations		Shares/Voting Rights to be acquired in the Open Offer (assuming full acceptance)		Shareholding/ Voting Rights after the acquisition & offer	
		(A)		(B)		(C)		(D)	
		No.	%	No.	%	No.	%	No.	%
<b>1.</b>	<b>Promoter and Promoter Group</b>								
(a)	Parties to the Agreement (SPA-1)	14,83,575	34.89%	(14,83,575)	(34.89%)	-	-	-	-
(b)	Promoters other than (a) above	-	-	-	-	-	-	-	-
	<b>Total (1)(a+b)</b>	<b>14,83,575</b>	<b>34.89%</b>	<b>(14,83,575)</b>	<b>(34.89%)</b>	-	-	-	-
<b>2.</b>	<b>Parties to the agreement other than (1)(a) (SPA-2)</b>	<b>5,51,165</b>	<b>12.96%</b>	<b>(5,50,865)</b>	<b>(12.96%)</b>	-	-	<b>300</b>	<b>Negligible</b>
<b>3.</b>	<b>Acquirers</b>								
(a)	Narra Purna Babu – Acquirer-1	-	-	10,53,285	24.77%	5,52,721	13.00%	16,06,006	37.77%
(b)	Sudhakara Varma Yarramraju – Acquirer-2	-	-	9,81,155	23.08%	5,52,721	13.00%	15,33,876	36.08%
	<b>Total (3) (a+b)</b>	-	-	<b>20,34,440</b>	<b>47.85%</b>	<b>11,05,442</b>	<b>26.00%</b>	<b>31,39,882</b>	<b>73.85%</b>
<b>4.</b>	<b>Parties to the Agreement other than (1) (a) &amp; (2)</b>								
(a)	FIs/ MFs/ FIIs/ Banks, SFIs (Indicates name)	-	-	-	-	-	-	-	-
(b)	Public (other than parties to the agreement, Acquirers)	22,16,960	52.15%	-	-	(11,05,442)	(26.00%)	11,11,818	26.15%
	<b>Total 4 (a+b)</b>	<b>22,16,960</b>	<b>52.15%</b>	-	-	-	-	<b>11,11,818</b>	<b>26.15%</b>
	<b>Grand Total (1+2+3+4)</b>	<b>42,51,700</b>	<b>100.00%</b>	-	-	-	-	<b>42,51,700</b>	<b>100.00%</b>

Total Number of Public Shareholders as on March 31, 2024 are 904. (Source: [www.bseindia.com](http://www.bseindia.com))

**5.14 Details of the Compliance Officer:**

**Name** : Ms. Shilpa Agarwal  
**Registered Office Address** : Flat No. 28, Goyal Society , Moti Valley, Tirmulgerry, Secunderabad, Telangana, - 500015  
**Contact No.** : 9290877294  
**Email ID** : csshilpa24@gmail.com

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1 JUSTIFICATION OF OFFER PRICE

**6.1.1** The Equity Shares of the Target Company are presently listed on BSE Limited (“BSE”) having Scrip Code as **539724** and ISIN as **INE039D01014**.

**6.1.2** The Equity Shares of the Target Company are frequently traded on BSE during the twelve (12) calendar months preceding the month in which Public Announcement was made as set out under Regulation 2(1) (j) of SEBI (SAST) Regulations, 2011.

**6.1.3** The trading turnover in the Equity Shares of the Target Company on BSE Limited based on trading volume during the 12 (twelve) calendar months prior to the month of Public Announcement i.e., June, 2023 to May, 2024 have been obtained from www.bseindia.com, as given below:

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
BSE Limited	5,78,630	42,51,700	13.61%

**6.1.4** The Offer Price of INR 11 for fully paid equity share is justified in terms of Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, being not lower than the following:

Sr. No.	Particulars	Amount in INR
a)	Negotiated Price under the Share Purchase Agreement attracting the obligations to make a Public Announcement for the Offer	: INR 11
b)	The volume-weighted average price paid or payable for acquisition by the Acquirer, during 52 weeks preceding the date of PA	: Not Applicable
c)	The highest price paid or payable for any acquisition, by the Acquirer, during 26 weeks preceding the date of the PA	: Not Applicable
d)	The volume-weighted average market price of Equity Shares of the Target Company for a period of sixty (60) trading days immediately preceding the date of PA as traded on BSE, being the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period, being infrequently traded	: INR 10.04
e)	Where the shares are not frequently traded, the price determined by the Valuer taking into account Valuation Parameters per Equity Share including Book Value, Comparable Trading Multiples and such other parameters as are customary for Valuation of Equity Shares	: Not Applicable

**6.1.5** In view of the parameters considered and presented above and in the opinion of the Acquirers and Manager to the Offer, the Offer Price of INR 11 (INR Eleven) per Equity Share being not lower than the prices mentioned above is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations and is payable in cash.

**6.1.6** There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

**6.1.7** In the event of further acquisition of Equity Shares of the Target Company by the Acquirers during the Offer Period, at a price higher than the Offer Price, the Offer Price will stand revised to the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers will 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.

- 6.1.8** If the Acquirers acquire Equity Shares of the Target Company during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, they will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the Regulations.
- 6.1.9** In case of any revision in the Open Offer Price or Open Offer Size, the Acquirers is permitted to revise the Offer Price upward at any time prior to commencement of the last one (1) working day before the commencement of the Tendering Period i.e. 31<sup>st</sup> July, 2024 in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. If there is any such upward revision in the Offer Price by the Acquirers, the Acquirers shall make further deposits into the Escrow Account and the same would be informed by way of Public Announcement in the same newspapers where the original Detailed Public Statement was published. Such revision in the Offer Price would be payable by the Acquirers for all the shares validly tendered in the Offer.
- 6.1.10** In the event that the number of Equity Shares validly tendered by the Public Shareholders of the Target Company under the Offer is higher than the Offer Size, the Equity Shares received from the Public shareholders shall be accepted on a proportionate basis, in consultation with the Manager to the Offer.

## **6.2 DETAILS OF FIRM FINANCIAL ARRANGEMENTS**

- 6.2.1.** The total funds required for the implementation of the Offer (assuming full acceptance), i.e., for the acquisition of 11,05,442 fully paid-up Equity Shares of Face Value INR 10 each at a price of INR 11 (INR Eleven) per Equity Share is INR 1,21,59,862 (INR One Crore Twenty-One Lakhs Fifty-Nine Thousand Eight Hundred and Sixty-Two) (“**Maximum Consideration**”).
- 6.2.2.** In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirers have opened an escrow account under the name and style of “**HYPERSOFT TECHNOLOGIES LIMITED OPEN OFFER ESCROW ACCOUNT**” (“Escrow Account”) with “ICICI Bank”, at their Churchgate, Mumbai Branch, (“Escrow Banker”) pursuant to an escrow agreement (“Escrow Agreement”). In accordance with Regulation 17(3)(a) of the SEBI (SAST) Regulations, the Acquirers have made therein a deposit of INR 1,22,00,000 (INR One Crore Twenty-Two Lakhs) in the Escrow Account, which is more than 100% of the total consideration payable in the Offer, assuming full acceptance. The cash deposit has been confirmed by the Escrow Banker by way of a confirmation letter dated 10<sup>th</sup> June, 2024.
- 6.2.3.** The Acquirers have duly authorized the Manager to the Offer to operate and realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.4.** The Acquirers have made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011 out of their own funds.
- 6.2.5.** The Acquirers have made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations, 2011 through their own funds of INR 1,21,59,862 and no borrowings from any bank/ financial institution is made by the Acquirers for the purpose of this open offer. After considering the aforementioned, G M K & Co LLP, Chartered Accountants, having its Office at 8-3-314/1/2, 1st Floor, Edsel Home, Maruthi Nagar, Yousufguda, Hyderabad, Telangana, India - 500045, Contact No: 040- 29385480, Mr. Rajdeep Lawrence G (Membership No.: 242206) have certified vide certificate dated 6<sup>th</sup>

June, 2024 that Mr. Narra Purna Babu and Mr. Sudhakara Varma Yarramraju respectively have sufficient liquid funds to meet the financial obligations for the Open Offer under SEBI (SAST) Regulations.

- 6.2.6. Based on the aforesaid financial arrangements and on the confirmations received from the Escrow Banker and the Chartered Accountant, the Manager to Offer is satisfied about the ability of the Acquirers to fulfill his obligation in respect of this Offer in accordance with the SEBI (SAST) Regulations.
- 6.2.7. In case of upward revision of the Offer Price and/or Offer Size, the Acquirers shall deposit additional amount into the Escrow Account to ensure compliance with Regulation 18(5) of SEBI (SAST) Regulations.

## **7 TERMS AND CONDITIONS OF THE OFFER**

### **7.1 OPERATIONAL TERMS AND CONDITIONS**

- 7.1.1. The Letter of Offer will be mailed to all Public Shareholders of the Target Company except parties to the Share Purchase Agreement (SPAs) whose names appear on the Register of Members and to the beneficial owners of the Equity Shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours on **18<sup>th</sup> July 2024 (Identified Date)**.
- 7.1.2. This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.
- 7.1.3. Accidental omission to dispatch the Letter of Offer or the non-receipt or delayed receipt of the Letter of Offer will not invalidate this Offer in anyway.
- 7.1.4. This Offer is not conditional upon any minimum level of acceptance by the Shareholder(s) of the Target Company.
- 7.1.5. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.
- 7.1.6. The Letter of Offer will be dispatched/sent through electronic mail to all the Public Shareholders as on the Identified Date, who have registered their email ids with the Depositories and/or the RTA. In case of non-receipt of the LOF, such shareholders may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Offer Shares.
- 7.1.7. Neither the Acquirers nor the Manager to the Offer nor the Registrar to the Offer accepts any responsibilities in any manner for loss of documents, etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.1.8. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such Equity Shares during pendency of the said litigation and are liable to be rejected if directions/orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Offer.



**7.1.9.** Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

**7.1.10.** In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tendered their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

## **7.2 LOCKED-IN SHARES**

As on date, the Target Company does not have any Equity Shares under lock-in.

## **7.3 ELIGIBILITY FOR ACCEPTING THE OFFER**

**7.3.1.** The Letter of Offer shall be mailed to all the Public Shareholders and/or beneficial owners (having email ID) (except to the parties to SPA) holding Equity Shares in dematerialized form whose names appear in register of Target Company as on **18<sup>th</sup> July 2024** (“**Identified Date**”). This Offer is also open to persons who own Equity Shares but are not registered Public Shareholders as on the Identified Date.

**7.3.2.** 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.

**7.3.3.** The Public Announcement (‘PA’), the Detailed Public Statement (‘DPS’) and the Letter of Offer (‘LOF’) shall also be available on the website of SEBI i.e. [www.sebi.gov.in](http://www.sebi.gov.in). In case of non-receipt of the Letter of Offer, all Equity Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer from the website of SEBI for applying in the Offer.

**7.3.4.** The Offer is subject to the terms and conditions set out in the LOF, the Form of Acceptance, the PA, the DPS and any other public announcement(s) that may be issued with respect to the Offer.

**7.3.5.** By accepting this offer, the Public Shareholders confirm that they are not Persons Acting in Concert with the Acquirers for the purpose of this Offer.

**7.3.6.** The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s)/beneficial owner(s) of Target Company.

**7.3.7.** The acceptance of this Offer by the Equity Shareholders of the Target Company must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason.

**7.3.8.** The Acquirers reserve the right to revise the Offer Price and/or the Offer Size upwards at any time prior to commencement of one (1) working day before the commencement of the Tendering Period, in accordance with the Regulations and the revision, if any, in the Offer Price would be announced in the Newspapers. The Acquirers would pay such revised price for all the shares validly tendered during the Tendering Period and accepted under the Offer in accordance with the terms of the Draft Letter of Offer.

**7.3.9.** The acceptance of Equity Shares tendered in this Offer will be made by the Acquirers in consultation with the Manager to the Offer.

**7.3.10.** SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 has clarified that shareholders holding securities in physical form are also allowed to tender shares in the Open Offers. However, such tendering shall be as per the provisions of the SEBI (SAST) Regulations.

#### **7.4 STATUTORY AND OTHER APPROVALS**

**7.4.1.** As on the date of this Draft Letter of Offer, there are no statutory or other approvals required for implementing the Offer. If any statutory approvals are required or become applicable prior to completion of the Offer, the Offer would be subject to the receipt of such statutory approvals.

**7.4.2.** If the holders of the Equity Shares who are not person's resident in India (including NRIs, OCBs, and FIIs) require any approvals (including from the RBI, the FIPB, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender their Equity Shares held by them in this Offer, along with other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers reserve the right to reject such Equity Shares tendered in this Offer.

**7.4.3.** The Acquirers in terms of Regulation 23 of SEBI (SAST) Regulations, will have a right not to proceed with this Offer in the event the statutory approvals indicated above are refused. In the event of withdrawal, a public announcement will be made within 2 (two) Working Days of such withdrawal, in the Newspapers in which the Detailed Public Statement was published.

**7.4.4.** In case of delay in receipt of any statutory approval, SEBI may, if satisfied that delay in receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers, or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the Public Shareholders as directed by SEBI, in terms of the provisions of Regulation 18 (11) of SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, the provisions of Regulation 17 (9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture. Further, where any statutory approval extends to some but not all of the Public Shareholders, the Acquirers shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.

#### **8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER**

**8.1** The Acquirers have appointed CIL Securities Limited as the Registrar to the Offer.

**8.2** The Open Offer will be implemented by the Acquirers through Stock Exchange mechanism made available by BSE Limited in the form of separate window (**'Acquisition Window'**) as provided under the SEBI (SAST) Regulations and SEBI Master circular SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023.

**8.3** BSE Limited (**"BSE"**) shall be the designated Stock Exchange for the purpose of tendering the Equity shares in the Open Offer.

**8.4** 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**).

**8.5** The Acquirers have appointed CIL Securities Limited (**"Buying Broker"**) for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the Tendering Period.

Name & Address	Contact Person
CIL Securities Limited Address: 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001 Contact No.: 040- 6901-1111/ 1158 Email ID: secretary@cilsecurities.com SEBI Registration Number: INZ000169535	Mr. M. P. Balakrishna Sarma

- 8.6** All the Public Shareholders who desire to tender their Equity Shares under the Offer should consult with their depository participants and their respective stock brokers (“Selling Broker(s)”) well in advance to understand the process and methodology in relation to tendering of the Equity Shares through the Stock Exchange during the Tendering Period.
- 8.7** During the Tendering Period, the tender of the Equity Shares by the Public Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.
- 8.8** 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.
- 8.9** In the event the Shareholder Broker(s) of Public Shareholders is not registered with BSE, then the Public Shareholders can approach any BSE registered stock broker and can register themselves by using quick unique client code (“UCC”) facility through the BSE registered stock broker (after submitting all details as may be required by such BSE Registered stock broker in compliance with the applicable law). In case the Public Shareholders are unable to register using quick UCC facility through any other BSE registered stock broker, Public Shareholder may approach the Company’s Broker i.e., CIL Securities Limited, to place their bids.
- 8.10** The cumulative quantity tendered shall be displayed on the stock exchange website ([www.bseindia.com](http://www.bseindia.com)) throughout the trading session at specific intervals by the stock exchange during the Tendering Period.
- 8.11** Public Shareholders can tender their shares only through a broker with whom the Shareholder is registered as client (KYC Compliant).
- 8.12 Procedure for tendering Equity Shares held in Dematerialized Form:**
- The Public Shareholders who are holding the Equity Shares in demat form and who desire to tender their Equity Shares in this Offer shall approach their selling broker indicating to their selling broker the details of Equity Shares they intend to tender in Open Offer.
  - The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchange. Before placing the order/bid, the Selling Broker would be required to tender the Demat Shares by using the settlement number and the procedure prescribed by the Clearing Corporation and the lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation. The details of settlement number shall be informed in the issue opening circular/ notice that will be issued by BSE/ Clearing Corporation before the Bid Opening Date.
  - Upon placing the order, the Selling Broker(s) shall provide transaction registration slip (“TRS”) generated by the stock 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.
  - For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodian shall either confirm or reject the orders not later than the time provided by the Stock Exchange on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

- e) The details of settlement number for early pay-in of Equity Shares shall be informed in the issue opening circular that will be issued by the Stock Exchange / Clearing Corporation, before the opening of the Offer.
- f) In case any person has submitted Equity Shares in physical form for dematerialisation, such Public 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.
- g) Upon finalization of the entitlement, only accepted quantity of Equity Shares shall be debited from the demat account of the Public Shareholders and shall be transferred to Clearing Corporations. The lien marked against unaccepted shares shall be released post finalization of entitlement on settlement date.
- h) The Public Shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorata acceptance in the Open Offer. Further, Public Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of equity shares under the Open Offer.
- i) The Clearing Corporation will hold in trust the lien marked on the Offer Shares until the Acquirers complete their obligations under the Open Offer in accordance with the SEBI (SAST) Regulations.
- j) The Public Shareholders holding shares in Demat mode are not required to fill any Form of Acceptance cum- Acknowledgement, unless required by their respective Selling Broker.

### **8.13 Procedure for tendering Equity Shares held in Physical Form:**

- (i) As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI’s press release dated December 3, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 01, 2019. However, in accordance with the SEBI Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 dated February 16, 2023, shareholders holding securities in physical form are allowed to tender shares in an Open Offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations.
- (ii) The Public 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:
  - a) The Form of Acceptance-cum-Acknowledgement duly signed (by all Public Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares;
  - b) Original share certificates;
  - c) 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 Acquirers;
  - d) Self-attested copy of the Shareholder's PAN Card (in case of joint holders, PAN card copy of all transferors);
  - e) 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, corporate authorization (including board resolution/specimen signature) etc., in case of companies
- (iii) 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.

- (iv) Based on these documents, the Selling Broker(s) should place bids on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of BSE. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“TRS”) generated by the Stock Exchange bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, certificate number, distinctive number of Equity Shares tendered etc.
- (v) After placement of order, as mentioned in paragraph 8.13. (iv), the Selling Broker/Public Shareholders 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 8.13.(ii) either by registered post/speed post or courier or hand delivery to the Registrar to the Offer (at the address mentioned on the cover page on or before the Offer Closing Date (by 5.00 p.m.)). The envelope should be superscribed as “Hypersoft Technologies Limited – Open Offer”. One copy of the TRS along with supporting documents will be retained by Registrar to the Offer and it will provide acknowledgement of the same to the Selling Broker in case of hand delivery.
- (vi) 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 Acquirers shall be subject to verification as per the SEBI (SAST) Regulations, 2011 and any further directions issued in this regard. Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time the stock exchange shall display such bids as unconfirmed physical bids. Once, Registrar to the Offer confirms the bids it will be treated as “Confirmed Bids”.
- (vii) The Registrar to the Offer will hold in trust the share certificate(s) and other documents (as mentioned in this paragraph 18.13.(ii) of this Draft Letter of Offer) until the Acquirers complete their obligations under the Open Offer in accordance with the SEBI (SAST) Regulations.
- (viii) 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.

**8.14 The Equity Shares and all other relevant documents should be sent to the Registrar to the Offer and not to the Acquirers or to Target Company or to the Manager to the Offer.**

**8.15** The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance-cum-Acknowledgement.

**8.16** Modification / cancellation of orders will not be allowed during the period the Offer is open.

**8.17 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 Public Shareholders of the Target Company as of the Identified Date. In case of non-receipt of the Letter of Offer, such Public Shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or BSE website ([www.bseindia.com](http://www.bseindia.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. It may be noted that no indemnity is required from the unregistered shareholders.

**8.18** 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.

**8.19** The acceptance of the Offer made by the Acquirers is entirely at the discretion of the Shareholders of the Target Company. The Acquirers does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirers 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.

### **8.20 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 Acquirers 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. The marketable lot of target company is 01 (One) Equity Share.

### **8.21 Settlement Process**

- On closure of the Tendering Period, 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 Broker(s) should use the settlement number provided by the Clearing Corporation to transfer the Equity Shares in favour of the Clearing Corporation.
- The Acquirers shall pay the consideration payable towards purchase of the Offer Shares accepted under the Open Offer, to the Buying Broker who in turn will transfer the funds to the Clearing Corporation, on or before the pay-in date for settlement as per the secondary market mechanism. For the Offer Shares acquired in dematerialised form, the Public Shareholders will receive the consideration in their bank account attached to the depository account from the Clearing Corporation. If bank account details of any Public Shareholders are not available or if the fund transfer instruction is rejected by the Reserve Bank of India (“RBI”) or the relevant bank, due to any reason, then the amount payable to the relevant Public Shareholder will be transferred to the concerned Selling Broker for onward transfer to such Public Shareholder. For the Offer Shares acquired in physical form, the Clearing Corporation will release the funds to the Selling Broker as per the secondary market mechanism for onward transfer to Public Shareholders.
- In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker’s settlement accounts for releasing the same to their respective Shareholder’s account.
- The Public Shareholders will have to ensure that they keep the DP account active and unblocked so that lien can be released in case of rejection or non-acceptance of the shares under the Open Offer. The Public Shareholders holding Equity Shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes.

- The Equity Shares acquired in dematerialized form would either be transferred directly to the account of the Acquirers provided it is indicated by the Buying Broker or it will be transferred by the Buying Broker to the account of the Acquirers on receipt of the Offer Shares pursuant to the clearing and settlement mechanism of BSE. Equity Shares acquired in physical form will be transferred directly to the Acquirers by the Registrar to the Offer.
- Upon finalization of the entitlement, only accepted quantity of shares shall be debited from the demat account of the public shareholders. In case of unaccepted dematerialised Offer Shares, if any, tendered by the Public Shareholders, the lien marked against unaccepted offer shares shall be released by the Clearing Corporation, as part of the exchange pay-out process. Offer Shares tendered in physical form will be returned to the respective Public Shareholders directly by Registrar to the Offer.
- The Seller Broker would issue a contract note and pay the consideration to the respective Public Shareholder whose Offer Shares are accepted under the Open Offer. The Buying Broker would also issue a contract note to the Acquirers for the Offer Shares accepted under the Open Offer.
- The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form. Once the basis of acceptance is finalised, the lien marked against unaccepted shares shall be released.
- Any excess physical Equity Shares, to the extent tendered but not accepted, will be returned by Speed / registered post back to the Public Shareholder(s) directly by Registrar to the Open Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by Speed / registered post at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.
- Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirers and the Manager to the Open Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- The Acquirers intend to complete all formalities, including the payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer, within a period of 10 (Ten) Working Days from the closure of the Tendering Period, and for this purpose, open a special account as provided under Regulation 21(1) of the SEBI (SAST) Regulations, 2011 and will thereafter transfer the consideration to their respective Equity Shareholders. The Equity Shareholders will be required to independently settle fees, dues, statutory levies or other charges (if any) with their Selling Brokers.
- 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 shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations.

## **9. Settlement of Funds and Payment of Consideration**

- 9.1.** Upon finalization of the basis of acceptance as per the SEBI (SAST) Regulations, the settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.

- 9.2.** Details in respect of Public Shareholder's entitlement for this Offer shall be provided to Clearing Corporation by Company/ Registrar to the Offer. On receipt of the same, the Clearing Corporation will cancel excess or unaccepted blocked Equity Shares. On settlement date, all blocked Equity Shares mentioned in the accepted tender will be transferred to the Clearing Corporation.
- 9.3.** In the case of IDT, Clearing Corporation will cancel the excess or unaccepted Equity Shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with tender accepted detail as received from the Registrar to the Offer. Post receiving the IDT message from target depository, source depository will cancel/release excess or unaccepted block Equity Shares in the demat account of the Public Shareholder. Post completion of the Tendering Period and receiving the requisite details viz., demat account details and accepted tendered quantity, source depository shall debit the Equity Shares as per the communication/ message received from target depository to the extent of accepted tendered Equity Shares from the Public Shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- 9.4.** The Buying Broker will transfer the consideration pertaining to this Offer to the Clearing Corporation's bank account as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under this Offer, the Clearing Corporation will make direct funds pay-out to the respective Eligible Public Shareholders. If the bank account details of any Eligible Public Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or any other relevant Bank, due to any reasons, then the amount payable to the Eligible Public Shareholders will be transferred to the concerned Seller Member for onward transfer to such Eligible Public Shareholder holding Equity Shares in dematerialized form.
- 9.5.** In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the tenders settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE Limited and the Clearing Corporation from time to time.
- 9.6.** For the Eligible Public Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Seller Member's settlement accounts for releasing the same to the respective Eligible Public Shareholder's account. On settlement date, all blocked Equity Shares mentioned in accepted tender shall be transferred to Clearing Corporation.
- 9.7.** The Equity Shares tendered in the dematerialized form would be transferred directly to the escrow demat account/ demat account of the Acquirers provided it is indicated by the Buying Brokers or it will be transferred by the Buying Broker to the demat escrow account/ demat account of the Acquirers on receipt of the Equity Shares from the clearing and settlement mechanism of BSE Limited.
- 9.8.** Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, if any, tendered by the Eligible Public Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Public Shareholder's DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the respective Eligible Public Shareholder. The Public Shareholders of the demat Equity Shares will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of demat Equity Shares, due to rejection or due to non-acceptance in this Offer.



- 9.9.** Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned back to the Eligible Public Shareholders directly by the Registrar to the Offer. The Target Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted are less than the Equity Shares tendered in this Offer by Eligible Public Shareholders holding Equity Shares in the physical form.
- 9.10.** The Seller Member would issue contract note for the Equity Shares accepted under this Offer and will unblock the excess unaccepted Equity Shares. The Buying Broker would also issue a contract note to the Company for the Equity Shares accepted under this Offer.
- 9.11.** Equity Shareholders who intend to participate in this Offer should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied by the Seller Member for tendering Equity Shares in this Offer (secondary market transaction). Therefore, the Offer consideration received by the selling Eligible Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage). The Manager to the Offer and the Acquirers accept no responsibility to bear or pay any additional cost, applicable taxes, charges, and expenses (including brokerage) levied by the Seller Member, and such costs will be borne solely by the Eligible Public Shareholders.
- 9.12.** In case of delay in receipt of any statutory approval(s), the SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure, or neglect on the part of the Acquirers to diligently pursue such approval, and subject to such terms and conditions as specified by the SEBI (including payment of interest in accordance with Regulation 18 (11) of the SEBI (SAST) Regulations grant an extension of time to the Acquirers pending receipt of such statutory approval(s) to make the payment of the consideration to the Eligible Public Shareholders whose Equity Shares have been accepted in the Offer.)

## **10. NOTE ON TAXATION/COMPLIANCE WITH TAX REQUIREMENTS:**

**SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED OFFER THROUGH THE ON-MARKET TENDER OFFER ROUTE AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE ACQUIRERS DO NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS OFFER.**

- 10.1.** Unless specifically exempted, 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, which are sold will be subject to long term capital gains tax and securities transaction tax ("STT"). Further, any gain realized 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. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold.
- 10.2. Tax deduction at source:**
- (i) In case of Resident Shareholders, in absence of any specific provision under the Income Tax Act, 1961 ("Income Tax Act") the Acquirers shall not deduct tax on the consideration payable to resident Shareholders pursuant to Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India.
  - (ii) In case of Non-Resident Shareholders, since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the nonresident shareholder given that practically it is very difficult to withhold taxes. The Acquirers believe that the responsibility of withholding/ discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.

- 10.3.** Therefore, the Acquirers will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirers to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirers to the non-resident shareholders.
- 10.4.** In the event the Acquirers are held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirers are entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirers, on demand, the relevant details in respect of the taxability/non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.
- 10.5. Remittance/Payment of Interest:**
- (i) In case of interest, if any, paid by the Acquirers to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations, 2011 or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirers depending on the settlement mechanism for such interest payments. In the event, the Acquirers decides to withhold tax, the same shall be on the basis of documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirers. It is recommended that the shareholders consult their custodians/ authorized dealer's / tax advisors appropriately with respect to the taxability of such interest amount (including on the categorisation of the interest, whether as capital gains or as other income). In the event the Acquirers are held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirers should be indemnified.
  - (ii) The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirers, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.
- 10.6. Rate of Surcharge and Cess:** As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable.

**SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES. THE ACQUIRERS AND THE MANAGER TO THE OFFER DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THE TAX PROVISIONS SET FORTH HEREIN ABOVE.**

## **11. DOCUMENTS FOR INSPECTION**

The copies of the following documents will be available for inspection at the registered office of the Manager to the Offer, CIL Securities Limited, situated at 214, Raghava Ratna Towers, Chirag Ali Lane Abids, Hyderabad-500001 on any working day between 10:00 a.m. (Indian Standard Time) and 5:00 p.m. (Indian Standard Time) during the Tendering Period commencing from [●] to [●].

- 11.1.** Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- 11.2.** Audited Annual Reports for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022 of the Target Company.

- 11.3.** A) Copy of Certificate dated 29th May, 2024 from CA Rajdeep Lawrence (Membership No.: 242206) partner of G M K & Co LLP, Chartered Accountants., FRN: S200357, certifying the net worth of Mr. Narra Purna Babu.
- 3.1.1** Copy of Certificate dated 29th May, 2024 from CA Hareesh Nimmagadda (Membership No.: 274876) partner of KMH & Co, Chartered Accountants., FRN: 018481S, certifying the net worth of Mr. Sudhakara Varma Yarramraju.
- 11.4.** Copy of Certificate dated 06th June, 2024 from CA Rajdeep Lawrence G (Membership No.: 242206) partner of G M K & Co LLP, Chartered Accountants., FRN: S200357, Mr. Narra Purna Babu and Mr. Sudhakara Varma Yarramraju have sufficient liquid resources to fulfil the obligations under the SEBI (SAST) Regulations.
- 11.5.** Memorandum of Understanding between Manager to the Offer i.e., CIL Securities Limited, Acquirers.
- 11.6.** Memorandum of Understanding between Registrar to the Offer i.e., CIL Securities Limited, Acquirers.
- 11.7.** Share Purchase Agreement with the Acquirers and Promoter and Promoter Group of the Target Company (“SPA-1”) and Share Purchase Agreement between Acquirers and identified public shareholders (“SPA-2”).
- 11.8.** Escrow Agreement between Acquirers, Escrow Bank and Manager to the Offer.
- 11.9.** Letter from ICICI Bank dated 10<sup>th</sup> June, 2024 confirming the balance in the Escrow Account.
- 11.10.** Due Diligence Certificate dated 24<sup>th</sup> June, 2024 submitted to SEBI by CIL Securities Limited, Manager to the Offer.
- 11.11.** Undertaking from the Acquirers for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all the Shareholders of the Target Company whose applications are accepted in the Open Offer.
- 11.12.** Undertaking from the Acquirers with regard to Responsibility under Regulation 2(o) and Regulation 7(4) of the Regulations.
- 11.13.** Copies of the Public Announcement (“PA”) dated 7<sup>th</sup> June, 2024 and a copy of Detailed Public Statement (“DPS”) published in the newspapers on 14<sup>th</sup> June, 2024
- 11.14.** A copy of the Recommendations to be published on or before [●] made by the Committee of Independent Directors of the Target Company as required in terms of Regulation 26(7) of the Regulations.
- 11.15.** Copy of SEBI Observation Letter No. [●] dated [●] on the Draft Letter of offer filed with them.

## **12. DECLARATION BY THE ACQUIRERS**

For the purpose of disclosures in this Draft Letter of Offer relating to the Target Company, the Acquirers have relied on the information provided by the Target Company and has not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirers accepts full responsibility for the information contained in this Draft Letter of Offer. The Acquirers shall be responsible for ensuring compliance with the SEBI (SAST) Regulations.

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this Form with enclosures to Registrar to the Offer CIL Securities Limited, at their address given in the Draft Letter of Offer as per the mode of delivery mentioned in the Draft Letter of Offer)*

<b>FROM</b>	
<b>NAME:</b>	
<b>ADDRESS:</b>	
<b>TEL. NO.:</b>	
<b>FAX:</b>	
<b>EMAIL:</b>	

<b>TENDERING PERIOD FOR THIS OPEN OFFER</b>	
<b>OPENS ON</b>	[•]
<b>CLOSES ON</b>	[•]

To,  
The Acquirers  
C/o CIL Securities Limited  
Unit: Hypersoft Technologies Limited – Open Offer  
Address: 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001  
Contact No.: 040 69011111 / 1158  
Email ID: secretary@cilsecurities.com

**Sub: Open Offer for acquisition of up to 11,05,442 Equity Shares of INR 10 each, representing 26.00% of the Voting Share Capital of Hypersoft Technologies Limited (“HYPERSOFT”/“Target Company”), by the Acquirers at a price of INR 11 per Equity Share, payable in cash, pursuant to and in compliance with Regulation 3(1) and Regulation 4 read with regulation 15(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (hereinafter referred to as “SEBI (SAST) Regulations, 2011” or the Regulations”).**

Dear Sir/Madam,

I/We refer to the Letter of Offer dated [•] for acquiring the Equity Shares held by me/us in Hypersoft Technologies Limited (“HYPERSOFT”/“Target Company”).

I / We, the undersigned, have read the Public Announcement, Detailed Public Statement, Letter of Offer and the Offer opening public announcement and understood its contents, including the terms and conditions mentioned therein and unconditionally agree to such terms and conditions.

I / We acknowledge and confirm that all the particulars / statements given herein are true and correct.

**DETAILS OF PUBLIC SHAREHOLDER:**

Name (in BLOCK LETTERS)	Holder	Name of the Shareholder(s)	Permanent Account Number (PAN)
(Please write names of the joint holders in the same order as appearing in the Equity Share certificate(s)/ demat account)	Sole/First		
	Second		
	Third		
Contact number(s) of the first holder	Tel No. (With STD code):		Mobile No.:
Full Address of the first holder (with pin code)			
Email address of first holder			
Date and place of incorporation (if applicable)			

**FOR EQUITY SHARES HELD IN PHYSICAL FORM:**

I / We, confirm that our residential status under the Income Tax Act is as below (√ whichever is applicable):

- Resident
- Non-resident

I / We, holding the Equity Shares in physical form, accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my / our Equity Shares as detailed below along with enclosures as mentioned herein:

Sr. No.	Regd. Folio Number	Certificate No.	Distinctive No(s)		Number of Shares
			From	To	
1)					
2)					
3)					
4)					
<b>Total Number of Equity Shares</b>					

*(In case of insufficient space, please use additional sheet and authenticate the same)*

Enclosures (please provide the following and √ whichever is applicable)

- Original Equity Share certificate(s)
- Valid share transfer deed(s) duly filled, stamped and signed by the transferor(s) (i.e. by all registered Public Shareholder(s) in the same order and as per

specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.

Photocopy of Transaction Registration Slip (TRS)

Self attested copy of PAN card of all the transferor(s)

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.

Any other relevant document (but not limited to) such as duly attested power of attorney (if any person apart from the Public Shareholder has signed the Form of Acceptance-cum-Acknowledgement or Equity Share transfer deed(s)), corporate authorization, in case of companies (including board resolution / specimen signature), duly notarized copy of death certificate and succession certificate/ probated will/ letter of administration, if the original shareholder has deceased etc., as applicable.

Public Shareholders should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted.

**FOR ALL PUBLIC SHAREHOLDERS:**

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer, are not locked in and are free from any pledges, liens, charges, equitable interests, non-disposal undertakings and encumbrances and will be transferred together with the rights attached thereto, including all rights to dividend, bonus and rights offer, if any, declared hereafter and that I / we have obtained necessary consents to sell the Equity Shares on the foregoing basis.

I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my/our right to tender Equity Shares for Offer and that I / we am / are legally entitled to tender the Equity Shares for the Offer.

I / We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We agree that the Acquirers will pay the consideration as per secondary market mechanism only after verification of the certificates, documents and signatures, as applicable submitted along with this Form.

I / We undertake to return to Acquirers any Open Offer consideration that may be wrongfully received by me/us.

I/We confirm that I / We are not persons acting in concert or persons deemed to be acting in concert with the Acquirers.

I / We am / are not debarred from dealing in shares or securities, including the Equity Shares.

I/We give my/our consent to the Acquirers to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer.

I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirers to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

I / We authorize the Acquirers to accept the Equity Shares so offered or such lesser number of Equity Shares which they may decide to accept in consultation with the Manager to the Offer and the Registrar to the Offer and in terms of the Letter of Offer, and I / we further authorize the Acquirers to return to me / us the Equity Shares (including the share certificate(s)) in respect of which the Open Offer is not found valid / not accepted without specifying the reasons thereof.

I /We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961.

I/We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided/to be provided by me/us, I/we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirers with all information/documents that may be necessary and co-operate in any proceedings before any income tax/appellate authority.

**FOR NRIS/OCBS/ FIIS AND SUB-ACCOUNTS/OTHER NON-RESIDENT SHAREHOLDERS:**

**I/We confirm that my/our status is (√ whichever is applicable):**

<input type="checkbox"/> Individual	<input type="checkbox"/> Foreign Company	<input type="checkbox"/> FII/FPI – Corporate	<input type="checkbox"/> FII/FPI –Others	<input type="checkbox"/> Domestic Company
<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Private Equity Fund/AIF	<input type="checkbox"/> Pension/Provident	<input type="checkbox"/> Sovereign Wealth Fund	<input type="checkbox"/> Partnership/LLP
<input type="checkbox"/> Financial Institution	<input type="checkbox"/> NRIs/PIOs repatriable	<input type="checkbox"/> NRIs/PIOs-non repatriable	<input type="checkbox"/> OCB	<input type="checkbox"/> Domestic Trust
<input type="checkbox"/> Banks	<input type="checkbox"/> FVCI	<input type="checkbox"/> Insurance Company	<input type="checkbox"/> QFI	<input type="checkbox"/> Others – please specify

I/We confirm that my/our investment status is (√ whichever is applicable): FDI Route / PIS Route / Any Other (Please Specify):

I/We confirm that the Equity Shares tendered by me/us are held on (√ whichever is applicable): Repatriable basis / Non-repatriable basis

I/We confirm that (√ whichever is applicable):

No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the Reserve Bank of India. The copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith.

I/We confirm that (√ whichever is applicable):

No RBI, FIPB or other regulatory approval is required by me for tendering the equity shares in this Offer.

Copies of all approvals required by me for tendering equity shares in this Offer are enclosed herewith.

In case of shareholders holding Equity Shares in demat form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the Depositories.

In case of interest payments, if any, 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, 1961.

Yours faithfully,

Signed and Delivered:

Particulars	Full Names(s) of the holders	Address and Telephone Number	Signature	PAN
First/ Sole Holder				
Joint Holder 1				
Joint Holder 2				

Note: In case of joint holdings, all holders must sign. In case of body corporate, the rubber stamp should be affixed, and necessary board resolution must be attached.

Place:

Date:

#### INSTRUCTIONS

1. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance cum Acknowledgement.
2. The Form of Acceptance cum Acknowledgement 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:
  - a. The acceptance of the Offer made by the Acquirers is entirely at the discretion of the equity shareholder of Hypersoft Technologies Limited.
  - b. The Public Shareholders of Hypersoft Technologies Limited to whom this Offer is being made, are free to Offer his / her / their shareholding in Hypersoft Technologies Limited for sale to the Acquirer, in whole or part, while tendering his / her / their Equity Shares in the Offer.

----- TEAR ALONG THIS LINE-----



## ACKNOWLEDGEMENT SLIP

**Sub: Open Offer for acquisition of up to 11,05,442 Equity Shares of INR 10 each, representing 26.00% of the Voting Share Capital of Hypersoft Technologies Limited (“HYPERSOFT”/“Target Company”), by the Acquirers at a price of INR 11 per Equity Share, payable in cash, pursuant to and in compliance with Regulation 3(1) and Regulation 4 read with regulation 15(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (hereinafter referred to as “SEBI (SAST) Regulations, 2011” or the Regulations”).**

### FOR PHYSICAL EQUITY SHARES

Received from Mr./Ms./Mrs./M/s. \_\_\_\_\_

I / We, holding Equity Shares in the physical form, accept the Offer and enclose duly filled signed and or stamped the original share certificate(s), transfer deed(s) and Form of Acceptance in ‘market’ mode, duly acknowledged by me/us in respect of my Equity Shares as detailed below:

Sr. No	Folio No.	Certificate No.	Distinctive No.		No. of Equity Shares
			From	To	
<b>Total Number of Equity Shares</b>					

Note: All future correspondence, if any, should be addressed to the Registrar at the address mentioned below.

#### **CIL Securities Limited**

**Unit:** Hypersoft Technologies Limited – Open Offer

**Address:** 214, Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001

**Contact No.:** 040 69011111 / 1157

**Email ID:** [secretary@cilsecurities.com](mailto:secretary@cilsecurities.com)

**Website:** [www.cilsecurities.com](http://www.cilsecurities.com)

**Contact Person:** Mr. V. S. M. Yadava Raju

**SEBI Registration Number:** INR000002276