

December 13, 2023

To,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C-1, Block G, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

NSE Symbol: BALAXI

Dear Sir/Madam,

Subject: Intimation of receipt of settlement order from Securities and Exchange Board of India in respect of settlement application filed by Balaxi Overseas Private Limited, Promoter of the Company.

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Promoter of the Company i.e., Balaxi Overseas Private Limited has received a settlement order dated December 08, 2023 from the Securities and Exchange Board of India in the matter of Anandam Rubber Company Limited (Erstwhile name of Balaxi Pharmaceuticals Limited).

The details required to be furnished under Para A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in **Annexure A**.

The settlement order issued by Securities and Exchange Board of India is also enclosed herewith.

The aforesaid information is also being hosted on the Company's website at www.balaxipharma.in.

This is for your information and records.

Yours Faithfully,

For **Balaxi Pharmaceuticals Limited**

Udayan Shukla
(Company Secretary and Compliance Officer)
Membership No.: F11744

Encl: As above

Registered Office:

Plot No. 409, H. No. 8-2-293, Maps Towers, 3rd Floor, Phase III, Road No. 81, Jubilee Hills, Hyderabad (T.G.) - 500 096

CIN: L25191TG1942PLC121598

Phone: +91 40 23555300 | Email: info@balaxi.in | Website: www.balaxipharma.in

Annexure – A

Details required under Para A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sno.	Particulars	Remarks
1.	Name of the Authority	Securities and Exchange Board of India
2.	Nature and details of the action(s) taken, initiated or order(s) passed	Securities and Exchange Board of India settled the case upon payment of Rs. 8,40,000/- (Rupees Eight Lakhs Forty Thousand only) and submission of voluntary undertaking by Balaxi Overseas Private Limited, Promoter of the Company to refrain from accessing the securities market by buying, selling or dealing in securities for a period of twelve months.
3.	Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority	Settlement Order was received on December 12, 2023.
4.	Details of the violation(s)/ contravention(s) committed or alleged to be committed	Balaxi Overseas Private Limited, Promoter of the Company, violated the provisions of Regulation 6A of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The complete details of violation is provided in the settlement order enclosed herewith.
5.	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	The settlement order has no impact on financial, operation or other activities of the Company.

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SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER
IN RESPECT OF
SETTLEMENT APPLICATION NO. 6860/2022 [PAN: AAECA0526G]
FILED BY BALAXI OVERSEAS PRIVATE LIMITED
IN THE MATTER OF ANANDAM RUBBER COMPANY LIMITED

1. Balaxi Overseas Private Limited (hereinafter referred to as the “**Applicant**”) filed a *suo motu* settlement application (hereinafter referred to as “**Application**”) in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”) proposing to settle by neither admitting nor denying any conclusions of law, the enforcement proceedings that may be initiated against it, for the violation of the Regulation 6A of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as “**SAST Regulations**”).

2. Brief facts of the case are as follows:

2.1 The Applicant had entered into a Share Purchase Agreement with the promoters of Anandam Rubber Company Limited (“Target Company”) that had triggered open offer obligations under the relevant provisions of SAST Regulations. Consequently, in the year 2017, the Applicant made an open offer to acquire 26% of the paid-up equity share capital of the Target Company.

2.2 At the time when the open offer was made by the Applicant, Mr. Ashish Maheshwari, the promoter and director of the Applicant, was categorized as a wilful defaulter. Mr. Ashish Maheshwari was the personal guarantor in respect of the loan given to Rangoli Texdye Private Limited (“RTPL”) by Small Industries Development Bank of India (“SIDBI”). RTPL had defaulted in repayment of the loan and part of which remained unpaid till March, 2022. Pursuant to settlement of all dues, RTPL

and Mr. Ashish Maheshwari were issued a no-dues certificate in March, 2022 by SIDBI and were no longer categorized as wilful defaulters. However, in 2017, at the time of making the open offer, in terms of Regulation 2(1)(ze) of SAST Regulations, the Applicant came within the definition of “wilful defaulter” as it also “includes any person whose director, promoter or partner is categorized as such.” Regulation 6A of SAST Regulations, *inter alia*, prohibits a wilful defaulter from making a public announcement. Hence, the Applicant *suo motu* filed the instant settlement application to settle the said non-compliance soon after Mr. Ashish Maheshwari came out of the category of wilful defaulter.

3. Pursuant to the receipt of the application, the authorized representatives of the Applicant had a meeting with the Internal Committee of SEBI on January 09, 2023, March 09, 2023, April 11, 2023 and July 18, 2023 wherein the issues detailed above were deliberated along with the terms of the settlement. Thereafter, vide email dated July 20, 2023, the Applicant proposed revised settlement terms to settle any enforcement proceedings that may be initiated against it for the violations as stated above at paragraph 1 and voluntarily undertook to refrain from accessing the securities market by buying, selling or dealing in securities for a period of twelve months.
4. The High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) in its meeting held on September 08, 2023, considered the revised settlement terms proposed by the Applicant and recommended the case for settlement upon payment of ₹8,40,000 (Rupees Eight Lakhs Forty Thousand only) and voluntary undertaking by the Applicant to refrain from accessing the securities market by buying, selling or dealing in securities for a period of twelve months. The recommendation of the HPAC was accepted by the Panel of Whole Time Members on October 30, 2023. Subsequently, notice of demand was issued to the Applicant on November 08, 2023 who informed about the remittance of the aforesaid settlement amount on November 16, 2023 and SEBI has confirmed credit of the same.
5. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 of the Securities and Exchange Board

of India Act, 1992 and in terms of Regulations 23 of the Settlement Regulations, it is hereby ordered that any proceedings that may be initiated for the violations as mentioned in paragraph 1 above are settled in respect of the Applicant on the following terms:

- i.* SEBI shall not initiate any enforcement action against the Applicant for the said violations, and
- ii.* passing of this Order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations to initiate appropriate action against the Applicant, if SEBI finds that:
 - (a)* any representation made by the Applicant in the present settlement proceedings is subsequently found to be untrue;
 - (b)* the Applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
 - (c)* there was a discrepancy while arriving at the settlement terms.

6. This Settlement Order is passed on this 8th day of December, 2023 and shall come into force with immediate effect.

7. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicant and shall also be published on the website of SEBI.

Sd/-

ANANTH NARAYAN G.
WHOLE TIME MEMBER

Sd/-

AMARJEET SINGH
WHOLE TIME MEMBER

