

Vimta Labs Limited

Registered Office
142, IDA Phase II, Cherlapally
Hyderabad-500 051, Telangana, India
T : +91 40 2726 4141
F : +91 40 2726 3657



VLL\SE\049\2023-24
Date: 13.08.2023

Listing Centre
B S E Limited
P J Towers, Dalal Street
Mumbai: 400001
Scrip Code No.524394

Asst Vice President
National Stock Exchange of India Limited
"Exchange Plaza", Bandra
Kurla Complex, Bandra (E)
Mumbai – 400051
Trading Symbol: VIMTALABS

Dear Sir/Madam,

Sub – Intimation of Disclosure of Dispute/Termination of Investment Agreement dated 27th June 1991.

Pursuant to Disclosure under Regulation 30(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 5A of Para A of Part A of Schedule III thereof (inserted pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023) and the SEBI Circular bearing No. SEBI/HO/CFD/CFD-POD-1/P/CIR/2023/123 dated 13.07.2023., this is to inform you that Company and Promoters of the Company (viz., Dr. S P Vasireddi, Shri Vungal Harriman and Shri. V. Veerabhadra Prasad) had entered into an Investment Agreement with Andhra Pradesh Industrial Development Corporation ("APIDC") dated 27th June 1991 at the time of Initial Public Offer (IPO) and categorized APIDC as Promoter Body Corporate.

The details as required as disclosure under the said SEBI Circular are attached as "Annexure-A" & "Annexure-B".

This is for your information and records.

Thanking you,

Yours faithfully,
for VIMTA LABS LIMITED

Sujani Vasireddi
Company Secretary

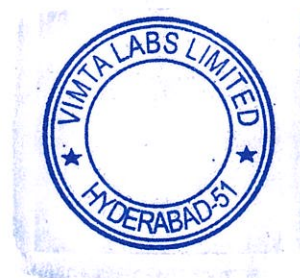


Attachments: as above.

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Annexure - A

Sl. No.	Particulars	Response
1	Name(s) of parties with whom the agreement is entered;	Andhra Pradesh Industrial Development Corporation. (APIDC)
2	Purpose of entering into the agreement;	Investment Agreement dated 27 th June 1991.
3	Shareholding, if any, in the entity with whom the agreement is executed;	590000 equity shares of Rs.2/- each 2.67% as on 30 th June 2023.
4	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc);	<ol style="list-style-type: none"> The promoters and their associates shall not transfer, sell, or encumber otherwise alienate its shareholding in the Company without prior approval in writing of APIDC and Company shall not register the transfer of shares without prior approval in writing of APIDC. Undertaking to buy back the shares held by APIDC within a period of 3 years from the date of investment at the market price or face value of the shares plus accumulated interest at 15% p.a. with annual compounding less dividend if any by the promoters of the Company. The agreement is valid for a period of 10 years or at such time APIDC holds any shares in the company, whichever is later. Right to appoint at least minimum of two directors as Nominee Directors.
5	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	No. At time of Initial Public Offer (IPO), APIDC was categorized as Promoter (Body Corporate)
6	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	NA
7	In case of issuance of shares to the parties, details of issue price, class of shares issued;	130000 Equity Shares of Rs.10/- each
8	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;	As stated in Point No.4



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9	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):	
	a) name of parties to the agreement;	Andhra Pradesh Industrial Development Corporation. (APIDC)
	b) nature of the agreement;	Investment Agreement
	c) date of execution of the agreement;	27 th June 1991
	d) details of amendment and impact thereof or reasons of termination and impact thereof.	<p>In 1994, The Managing Director of M/S Vimta Labs Limited enclosed a cheque for 35% of the total purchase consideration of 1,20,000 equity shares held by APIDC at a price of Rs, 59.60 per equity share as finalized. The APIDC forwarded the original share certificates for 12000 equity shares of Rs.10/- each with transfer deeds.</p> <p>APIDC filed suit against the promoters praying for a direction to perform their part of contract by paying a sum of Rs. 76,11,295-50 paise together with interest at 20% per annum with effect from 15-10-1994 upto 23-12-1997 along with further interest thereon on the principal amount of Rs. 46,48,800/- at 20% per annum compounded with annual rests and to take back the shares held by APIDC in M/S Vimta Labs Limited and for costs of the suit. The suit was numbered in the year 2001 after condonation of delay.</p> <p>In 2004, the promoters filed a suit against APIDC for a direction to it to sell 1,08,000 equity shares to promoters on payment of balance sale consideration of Rs. 46,48,800/- together with simple interest at 20% per annum from the date of refusal by the corporation to perform its part of the contract by unilaterally withdrawing the suit filed by it at city civil court Hyderabad and for costs and other reliefs.</p> <p>The promoters also obtained a status quo order against APIDC on 21st May 2004 from alienating or selling or disposing or creating charge on the said shares till disposal of suit. When the share of face value of Rs. 10 was divided into 5 shares of face value of Rs.2 each amendment was sought and the same was ordered on 1st February 2007 to the</p>

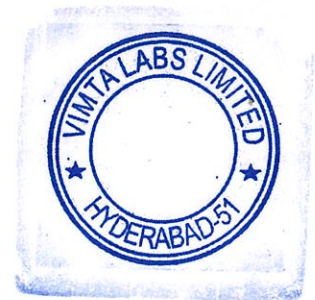


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		<p>extent of 540000 equity shares of face value of Rs.2/- each.</p> <p>In 2010, APIDC filed a suit praying the court to order decreeing the suit on admission in terms of the contract dated 15-10-1994 directing it to transfer 1,08,000 equity shares of face value of Rs.10/- each (5,40,000 equity shares of face value of Rs.2/- each) of M/S Vimta Labs Limited on payment of balance of agreed consideration of Rs. 46,48,800/- together with interest @20% per annum with quarterly rests.</p> <p>Pursuant to Judgement passed by City Civil Court, Hyderabad on 29th April 2011 ordered APIDC to transfer 1,08,000 equity shares of Rs.10 each to the Company on payment of balance consideration of Rs. 46,48,800/- together with simple interest @ 20% per annum on depleting balance amount by giving credit to the dividend paid to APIDC from 13th April 2004 to 21st May 2004 and @ 10% per annum simple interest from 22nd May 2004 till the date of payment by the Company to APIDC.</p> <p>Though APIDC has filed an Appeal against the order, the status of appeal has not changed and it is still pending for disposal at High Court.</p> <p>Promoters have filed Memorandum of Caveat Petition and Interim stay of execution of Judgement and decree dated 29th April 2011 was obtained.</p>
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Annexure - B

Sl. No.	Particulars	Response
1	If the listed entity is a party to the agreement, i. Details of the counterparties (including name and relationship with the listed entity).	Andhra Pradesh Industrial Development Corporation. (APIDC). At time of incorporation, APIDC was categorized as Promoter (Body Corporate).
2	If listed entity is not a party to the agreement, i. name of the party entering into such an agreement and the relationship with the listed entity; ii. details of the counterparties to the agreement (including name and relationship with the listed entity); iii. date of entering into the agreement;	NA NA NA
3	Purpose of entering into the agreement;	Investment Agreement dated 27 th June 1991.
4	Shareholding, if any, in the entity with whom the agreement is executed;	590000 equity shares of Rs.2/- each 2.67% as on 30 th June 2023.
5	Significant terms of the agreement (in brief);	<ol style="list-style-type: none"> The promoters and their associates shall not transfer, sell, or encumber otherwise alienate its shareholding in the Company without prior approval in writing of APIDC and Company shall not register the transfer of shares without prior approval in writing of APIDC. Undertaking to buy back the shares held by APIDC within a period of 3 years from the date of investment at the market price or face value of the shares plus accumulated interest at 15% p.a. with annual compounding less dividend if any by the promoters of the Company. The agreement is valid for a period of 10 years or at such time APIDC holds any shares in the company, whichever is later. Right to appoint at least minimum of two directors as Nominee Directors.



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Sl. No.	Particulars	Response
6	Extent and the nature of impact on management or control of the listed entity;	As stated in Point No.5
7	Details and quantification of the restriction or liability imposed upon the listed entity;	As stated in Point No.5
8	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	No. At time of Initial Public Offer (IPO), APIDC was categorized as Promoter (Body Corporate)
9	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length" ;	NA
10	In case of issuance of shares to the parties, details of issue price, class of shares issued;	130000 Equity Shares of Rs.10/- each
11	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;	As stated in Point No.5
12	In case of rescission, amendment or alteration, listed entity shall disclose additional details to the stock exchange(s):	
	i. Name of parties to the agreement;	Andhra Pradesh Industrial Development Corporation. (APIDC)
	ii. Nature of the agreement;	Investment Agreement
	iii. Date of execution of the agreement;	27 th June 1991
	iv. Details and reasons for amendment or alteration and impact thereof (including impact on management or control and on the restriction or liability quantified earlier).	In 1994, The Managing Director of M/S Vimta Labs Limited enclosed a cheque for 35% of the total purchase consideration of 1,20,000 equity shares held by APIDC at a price of Rs, 59.60 per equity share as finalized. The APIDC forwarded the original share certificates for 12000 equity shares of Rs.10/- each with transfer deeds. APIDC filed suit against the promoters praying for a direction to perform their part of contract by paying a sum of Rs. 76,11,295-50 paisa together with interest at 20% per annum with effect from 15-10-1994 up to 23-12-1997 along with further interest thereon on the principal amount of Rs. 46,48,800/- at 20% per annum



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		<p>compounded with annual rests and to take back the shares held by APIDC in M/S Vimta Labs Limited and for costs of the suit. The suit was numbered in the year 2001 after condonation of delay.</p> <p>In 2004, the promoters filed a suit against APIDC for a direction to it to sell 1,08,000 equity shares to promoters on payment of balance sale consideration of Rs. 46,48,800/- together with simple interest at 20% per annum from the date of refusal by the corporation to perform its part of the contract by unilaterally withdrawing the suit filed by it at city civil court Hyderabad and for costs and other reliefs.</p> <p>The promoters also obtained a status quo order against APIDC on 21st May 2004 from alienating or selling or disposing or creating charge on the said shares till disposal of suit. When the share of face value of Rs. 10 was divided into 5 shares of face value of Rs.2 each amendment was sought and the same was ordered on 1st February 2007 to the extent of 540000 equity shares of face value of Rs.2/- each.</p> <p>In 2010, APIDC filed a suit praying the court to order decreeing the suit on admission in terms of the contract dated 15-10-1994 directing it to transfer 1,08,000 equity shares of face value of Rs.10/- each (5,40,000 equity shares of face value of Rs.2/- each) of M/S Vimta Labs Limited on payment of balance of agreed consideration of Rs. 46,48,800/- together with interest @20% per annum with quarterly rests.</p>



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		<p>Pursuant to Judgement passed by City Civil Court, Hyderabad on 29th April 2011 ordered APIDC to transfer 1,08,000 equity shares of Rs.10 each to the Company on payment of balance consideration of Rs. 46,48,800/- together with simple interest @ 20% per annum on depleting balance amount by giving credit to the dividend paid to APIDC from 13th April 2004 to 21st May 2004 and @ 10% per annum simple interest from 22nd May 2004 till the date of payment by the Company to APIDC.</p> <p>Though APIDC has filed an Appeal against the order, the status of appeal has not changed and it is still pending for disposal at High Court.</p> <p>Promoters have filed Memorandum of Caveat Petition and Interim stay of execution of Judgement and decree dated 29th April 2011 was obtained.</p>
v.	Reasons for rescission and impact thereof (including impact on management or control and on the restriction or liability quantified earlier).	APIDC has failed to disinvest the equity shares on proportion to the payment.

