

AKUMS DRUGS & PHARMACEUTICALS LTD.

CIN: U24239DL2004PLC125888

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Date: July 11, 2024

Ranjeet Kumar

Dear Sir,

Re: Response to complaint dated March 22, 2024 from Ranjeet Kumar to the Securities and Exchange Board of India ("SEBI") ("Complaint")

We are in receipt of the Complaint forwarded by the Securities and Exchange Board of India to our BRLMs on July 8, 2024. At the outset, we deny all contentions and claims made pursuant to the Complaint as baseless and devoid of merit. For reference, our response to your Complaint is as follows:

- 1) Schedule VI of the SEBI (Issue of Capital Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") mandates disclosure of information pertaining to the issuer company, its subsidiaries, joint ventures and associates, group companies, directors, key management personnel, senior management personnel, promoters and promoter group. Our Company was not required to disclose information pertaining to Welcure Drugs & Pharmaceuticals Limited ("**Welcure**") in the draft red herring prospectus dated February 10, 2024 of the Company filed with the SEBI ("**DRHP**") as Welcure is in no manner associated with our Company, either as a subsidiary, joint venture, associate, group company, promoter, or as a member of the promoter group. However, please note that the fact of disassociation of Mr. Sanjeev Jain, one of the individual promoters and managing directors of our Company, from Welcure in September, 2022 has been disclosed in the "*Our Promoters and Promoter Group*" chapter on page 239 of the DRHP.
- 2) All disclosures in the DRHP have been made in accordance with Schedule VI of the SEBI ICDR Regulations which mandates disclosure of all outstanding (i) criminal proceedings against the issuer company, its subsidiaries, directors, and promoters ("**Relevant Parties**"); (ii) actions by regulatory authorities and statutory authorities against the Relevant Parties; (iii) disciplinary actions including penalty imposed by SEBI or stock exchanges against the promoters of the issuer company in the last five financial years including outstanding action; (iv) claims related to direct and indirect taxes against the Relevant Parties, in a consolidated manner, giving the number of cases and total amount; and (v) other pending litigations against the Relevant Parties, as per the policy of materiality defined by the board of directors of our Company and disclosed in the offer document. Our Company was not required to disclose litigations pertaining to Welcure as it was not a Relevant Party for the purposes of disclosure in the DRHP.
- 3) Without prejudice to the aforesaid, the alleged matter appears to be pertaining to Welcure. From the documents available, it is not possible to ascertain names of all the other parties involved. The order annexed to the Complaint does not make any reference to Mr. Sanjeev Jain and does not convict him as a proclaimed offender.
- 4) It is reiterated that as per the SEBI ICDR Regulations, Welcure is a separate entity which is in no manner associated with our Company either as a subsidiary, joint venture, associate, group company, promoter, or as a member of the promoter group, as on filing of the DRHP. Therefore, our Company cannot be held liable for the alleged non-disclosure of Welcure's litigations. Mr. Sanjeev Jain has been named as a promoter of the Company in the "*Our Promoters and Promoter Group*" chapter on page 237 of the DRHP. Being one of the Managing Directors of our Company, his profile as included in the "*Our Management*" chapter of the DRHP on page 221 states that he "does not hold a formal education degree". Therefore, no claims of his qualifications as a doctor have been made in the DRHP.

In light of the above, we submit that there has been no violation of the SEBI ICDR Regulations or any other applicable law with respect to disclosures included in the DRHP by our Company and Mr. Sanjeev Jain. The allegations made by you in the Complaint are *prima facie* malicious and have been raised with the intent of deliberately disrupting the Offer, and do not have any bearing on the Offer.

All capitalized terms not defined herein shall have the same meaning as ascribed to them in the DRHP.

Nothing contained herein shall be deemed to be admitted by us, on account of non-traverse. Further, this response is without prejudice to any rights that the Company may have, whether in law or in equity and tort, each of which is expressly reserved.

For and on behalf of **Arun Drugs and Pharmaceuticals Limited**

Authorised Signatory

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "Arun Drugs and Pharmaceuticals Ltd." around the perimeter and a small asterisk at the bottom center.