



28th March, 2023.

To
The General Manager
Department of Corporate Services
BSE Ltd,
P. J. Towers, Dalal Street,
Mumbai – 400 001

Dear Sir,

Sub: Outcome of the Board Meeting - In compliance of Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Pursuant to the provisions of Regulation 30 of the SEBI (LODR) Regulation, 2015, we would like to inform you the Board of Directors of the Company in its meeting held on 28th March, 2023 has transacted the following business:

1. Acquisition of the entire share capital of Softnaotics Inc (USA) for part consideration of cash and part consideration other than cash (Swap shares).
2. Approved the issue of 1,14,52,498 equity shares (Swap Shares) on preferential basis, subject to approval of members of the Company, to the shareholders of Softnaotics Inc for consideration other than cash.
3. Recommended to the members for approval of reappointment of Mr. Pradeep Chandra Kathi as an Independent Director for second term of 05 years w.e.f 27th April, 2023.
4. Recommended to the members for approval of reappointment of Mr. Govinda Prasad Dasu as an Independent Director for second term of 05 years w.e.f. 28th May, 2023.
5. Recommended to the members for approval of amendment to Articles of Association by substituting the existing Article74(1)(vi) by the following new Article74(1)(vi):

“To any persons, by way of passing a Special Resolution to that effect, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, subject to and in accordance with the Act and the Rules.”

MosChip Technologies Limited

CIN: L31909TG1999PLC032184

7th Floor, My Home Twitza, TSIC Knowledge City, Hyderabad, Telangana - 500081, India
Tel: +91 40 6622 9292, Fax: +91 40 66229393, www.MosChip.Com



The Board of Directors decided to conduct shareholders meeting (“EGM”) on 26th April, 2023 for seeking shareholders’ approval for preferential issue of equity shares (Swap shares) and other items as specified above. The notice of EGM is being sent separately.

Disclosures of information required under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular on Continuous Disclosure Requirements (SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015), are enclosed as Annexure – A, B & C.

The aforesaid meeting commenced at 8.30 a.m. and concluded at 10.30 a.m.

Kindly take the above information on your records.

Thanking you,

Yours truly,

For MosChip Technologies Limited

CS Suresh Bachalakura
Company Secretary & Compliance Officer
Encl: As above

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Annexure – A

Disclosure under Regulation 30 and SEBI circular dated September 09, 2015, titled “Continuous Disclosure Requirements for Listed Entities - Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015”.

a) Name of the Target Entity	Softnautics Inc.
b) Whether the acquisition would fall within related party transaction (s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”;	No, this is not part of related party transaction.
c) Industry to which the entity being acquired belongs;	VLSI and Embedded Industry
d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	<p>The acquisition of Softnautics brings highly complementary set of engineering skills, customers, markets & world-class talent along with leadership. Softnautics has established strong customer relationships with top-tier companies across North America and will add 185+ employees to current MosChip talent pool across various domains.</p> <p>This acquisition will also expand our geographical presence with office in Hyderabad, Bangalore, Pune, and Ahmadabad besides further augmenting presence in North America, which will result in broader access to talent pool.</p> <p>The acquisition which will be completed during next quarter is expected to be EBIDTA accretive and generate free cash flow starting from very first year.</p>
e) Brief details of any governmental or regulatory approvals required for the acquisition;	BSE and RBI
f) Indicative time for completion of the acquisition;	The acquisition will be completed during the next quarter
g) Nature of consideration - whether cash consideration or share swap and details of the same;	Cash and Share Swap
h) Cost of acquisition or the price at which the shares are acquired;	Enterprise value of USD 17.25 million to be paid 52.6% in Swap Shares and 47.4% in cash over period – this translates to 12.54x of calendar year’ 22 EBIDTA

	Swap Shares will be issued at a price calculated as per SEBI (ICDR) Regulations 2018												
i) Percentage of shareholding / control acquired and / or number of shares acquired;	100%												
J) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>Incorporated on 6 July 2016 in USA, with focus on Product engineering solution in VLSI, FPGA and embedded. It has established strong customer relationships with top-tier companies. MosChip will benefit immensely in Embedded business segment with this acquisition. Softnaotics Inc has a wholly owned subsidiary in India named Softnaotics LLP (the "LLP") engaged in same line of business of the Softnaotics. The LLP has design centers located in Pune and Ahmedabad. After completion of acquisition of the Softnaotics, the LLP will become step down subsidiary to MosChip.</p> <p>Turnover for the last three years:</p> <table border="1" data-bbox="657 869 1203 1070"> <thead> <tr> <th>S. No</th> <th>Calendar Year</th> <th>Turnover \$ million</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2022</td> <td>4.73</td> </tr> <tr> <td>2</td> <td>2021</td> <td>3.10</td> </tr> <tr> <td>3</td> <td>2020</td> <td>2.32</td> </tr> </tbody> </table>	S. No	Calendar Year	Turnover \$ million	1	2022	4.73	2	2021	3.10	3	2020	2.32
S. No	Calendar Year	Turnover \$ million											
1	2022	4.73											
2	2021	3.10											
3	2020	2.32											

Annexure – B

Issuance of securities (subject to approval of members of the Company)

Type of securities proposed to be issued	Equity Shares having face value of Rs.2 each.					
Type of issuance	Preferential issue for non-cash consideration.					
Total number of securities proposed to be issued or the total amount for which the securities will be issued	1,14,52,498 equity shares					
Names of the investors	1.	Rajesh Navinchandra Shah	7.	Simon Westbrook		
	2.	Mansi Rajesh Shah	8.	Ganapathy Subramaniam		
	3.	Abhishek Rajesh Shah	9.	Pravin Desale		
	4.	Sujata Amit Vashi	10.	Abhijit Athavale		
	5.	Naveed Ahmed Sherwani	11.	Vamsi Krishna Rachapudi		
	6.	Chirag Nitinkumar Dhruv	12.	Dilip Gobind Lalwani		
Post allotment of securities - outcome of the subscription, issue price / allotted price (in case of convertibles), number of investors	Name of the Proposed Allottee		Pre-preferential allotment		Post-preferential allotment	
			No of shares	%	No of shares	%
		Rajesh Navinchandra Shah	--	--	65,77,052	3.69
		Mansi Rajesh Shah	--	--	9,27,532	0.52
		Abhishek Rajesh Shah	--	--	9,27,532	0.52
		Sujata Amit Vashi	--	--	9,35,965	0.53
		Naveed Ahmed Sherwani	--	--	17,70,744	0.99
		Chirag Nitinkumar Dhruv	--	--	1,58,102	0.09
		Simon Westbrook	--	--	84,321	0.05
		Ganapathy Subramaniam	--	--	20,237	0.01
		Pravin Desale	--	--	20,237	0.01
		Abhijit Athavale	--	--	17,707	0.01
		Vamsi Krishna Rachapudi	--	--	8,853	0.00
		Dilip Gobind Lalwani	--	--	4,216	0.00
	<u>Issue Price:</u> Rs.65.22 (consideration to be discharged by other than cash i.e. swap of shares)					
	Number of investors/allottees: 12 (Twelve)					
Any cancellation or termination of proposal for issuance of securities including reasons thereof	Not Applicable					

Annexure – C

Recommendation to re-appointment of Independent Directors

Reason for change	Re-appointment of Mr. K. Pradeep Chandra as Non-Executive, Independent Director.	Re-appointment of Mr. Govinda Prasad Dasu as Non-Executive, Independent Director.
Date of appointment & term of appointment	Re-appointment as Non-Executive, Independent Director for a second term of 5 (five) years effective April 27, 2023 up to April 26, 2028, subject to the approval of the members.	Re-appointment as Non-Executive, Independent Director for a second term of 5 (five) years effective May 28, 2023 up to May 27, 2028, subject to the approval of the members.
Brief profile	The profile of the Directors is available on the Company's website at https://moschip.com/board-of-directors/	
Disclosure of relationships between directors	Mr. K. Pradeep Chandra is not related to any of the Directors of the Company	Mr. Govinda Prasad Dasu is not related to any of the Directors of the Company
Confirmation as per BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018	Mr. K. Pradeep Chandra confirmed that he has not been debarred from holding the office of Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.	Mr. Govinda Prasad Dasu confirmed that he has not been debarred from holding the office of Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority.