

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

This Letter of Offer is being sent to you as a registered Equity Shareholder of Ajanta Pharma Limited (the “**Company**”) as on the Record Date (as defined hereinafter) in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the “**Buy-back Regulations**”). If you require any clarification about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buy-back i.e., Vivro Financial Services Private Limited or the Registrar to the Buy-back i.e., Link Intime India Private Limited. Please refer to the section on “**Definitions of Key Terms**” on page 2 of this DLoF for the definition of the capitalized terms used herein.



AJANTA PHARMA LIMITED

Registered Office: ‘Ajanta House’, 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India
Corporate Identity Number (CIN): L24230MH1979PLC022059
Phone: +91 22 6606 1000; **Fax:** +91 22 6606 1200; **Email:** investorgrievance@ajantapharma.com; **Website:** www.ajantapharma.com;
Contact Person & Compliance Officer: Mr. Gaurang Shah, Company Secretary & Compliance Officer

CASH OFFER TO BUY-BACK UP TO 11,20,000 (ELEVEN LAKHS TWENTY THOUSAND) FULLY PAID-UP EQUITY SHARES OF THE COMPANY OF FACE VALUE OF ₹ 2/- EACH (“EQUITY SHARE(S)”) REPRESENTING APPROXIMATELY 1.29% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARE CAPITAL OF THE COMPANY FROM ALL THE SHAREHOLDERS HOLDING EQUITY SHARES / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY, AS ON THE RECORD DATE I.E., FRIDAY, JANUARY 14, 2022, ON A PROPORTIONATE BASIS, THROUGH THE TENDER OFFER PROCESS USING STOCK EXCHANGE MECHANISM, AT A PRICE OF ₹2,550/- (RUPEES TWO THOUSAND FIVE HUNDRED FIFTY ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT NOT EXCEEDING ₹285.60 CRORES (RUPEES TWO HUNDRED EIGHTY FIVE CRORES AND SIXTY LAKHS ONLY) EXCLUDING TRANSACTIONS COSTS. AS REQUIRED UNDER THE BUY-BACK REGULATIONS, EQUITY SHARES TO BE BOUGHT BACK ARE DIVIDED INTO TWO CATEGORIES: (I) RESERVED CATEGORY FOR SMALL SHAREHOLDERS; AND (II) GENERAL CATEGORY FOR ALL OTHER SHAREHOLDERS.

- The Buy-back Offer is being undertaken in accordance with provisions of Article 18 of the Articles of Association of the Company and Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 (the “**Act**”) and applicable rules made thereunder and in compliance with the Buy-back Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management Act, 1999 and subject to such other approvals, permissions, sanctions and exemptions as may be required from time to time from any statutory and/ or regulatory authority. The Buy-back would be undertaken in accordance with circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 issued by the Securities and Exchange Board of India (the “**SEBI Circulars**”), which prescribes mechanism for tendering of shares through online trading platform of the Stock Exchange. In this regard, the Company will request National Stock Exchange of India Limited to provide the Acquisition Window. For the purpose of this Buy-back, National Stock Exchange of India Limited would be the Designated Stock Exchange.
- The total paid-up equity share capital and free reserves (including securities premium account) of the Company as on March 31, 2021 based on audited standalone and audited consolidated financial statements is ₹ 2,888.49 crores and ₹ 2,989.95 crores. In accordance with section 68(2) of the Act, the funds deployed for the Buy-back shall not exceed 10% of the total paid-up equity share capital and free reserves (including securities premium account) of the Company under Board approval route. Accordingly, the Company has proposed to utilise an aggregate amount not exceeding ₹285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs Only) excluding Transaction Costs for the Buy-back which is within the aforesaid limit and represents 9.89% and 9.55% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements of the Company as on March 31, 2021, respectively.
- The Letter of Offer shall be sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares as on the Record Date i.e., Friday, January 14, 2022. The procedure for tendering Equity Shares and settlement is set out in paragraph 20 on page 33 of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the “**Tender Form**”) is enclosed together with this Draft Letter of Offer.
- For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.21 on page 37 of this Draft Letter of Offer.
- A copy of the Public Announcement, Draft Letter of Offer and the Letter of Offer (including the Tender Form) shall also be available on the website of Securities and Exchange Board of India at www.sebi.gov.in and on Company’s website at www.ajantapharma.com.
- Eligible shareholders are advised to refer to details of the Statutory Approvals and Note on Taxation in paragraph 17 on page 28 and paragraph 21 on page 40 respectively of this Draft Letter of Offer, before tendering their Equity Shares in the Buy-back.

BUY-BACK OPENS ON: [●]

BUY-BACK CLOSES ON: [●]

LAST DATE / TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR TO BUY-BACK: [●] BY 5.00 P.M.

MANAGER TO THE BUY-BACK

REGISTRAR TO THE BUY-BACK

VIVRO

Vivro Financial Services Private Limited

Address: 607/608 Marathon Icon, Opp. Peninsula Corporate Park, Veer Santaji Lane, Off. Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India

Tel.: +91 22 6666 8040

E-mail: investors@vivro.net;

Website: www.vivro.net

Contact Person(s): Mr. Anshul Nenawati / Mr. Jay Shah

SEBI Registration Number: INM000010122 **Validity:** Permanent

CIN: U67120GJ1996PTC029182

LINKIntime

Link Intime India Private Limited

Address: C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 22 4918 6200 **Fax:** + 91 22 4918 6195

Email: ajantapharma.buyback2022@linkintime.co.in;

Website: www.linkintime.co.in;

Contact Person: Mr. Sumeet Deshpande

SEBI Registration Number: INR000004058 **Validity:** Permanent

CIN: U67190MH1999PTC118368

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1. SCHEDULE OF ACTIVITIES

Activity	Day, Date
Date of the Board Meeting held to approve the proposal for Buy-back of Equity Shares	Tuesday, December 28, 2021
Date of publication of Public Announcement for the Buy-back	Thursday, December 30, 2021
Record Date for determining the Buy-back Entitlement and the Eligible Shareholders	Friday, January 14, 2022
Buy-back opens on / Buy-back Opening Date	[●]
Buy-back closes on / Buy-back Closing Date	[●]
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar to Buy-back	[●]
Last Date of verification by Registrar to Buy-back	[●]
Date of intimation to the Designated Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar and Manager to the Buy-back	[●]
Last date of settlement of bids on the Stock Exchange	[●]
Last date of return of unaccepted demat shares by Designated Stock Exchange to Seller Member / Broker	[●]
Last date of extinguishment of Equity Shares bought back	[●]

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

2. DEFINITION OF KEY TERMS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines, policies, circulars, notifications or clarifications shall be to such legislation, Act, regulation, rules, guidelines, policies, circulars, notifications or clarifications as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buy-back Regulations, the Companies Act, 2013, Depositories Act, 1996, as amended and the rules and regulations made thereunder and to the extent applicable.

Term	Description
Acceptance	Acceptance of fully paid-up Equity Shares tendered by Eligible Shareholders in the Buy-back Offer.
Act / Companies Act	The Companies Act, 2013 as amended from time to time and the rules and regulations made thereunder and to the extent applicable.
Acquisition Window	The facility for acquisition of Equity Shares through mechanism provided by the NSE in the form of a separate window in accordance with SEBI circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and SEBI circular no. CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, as may be amended from time.
Additional Equity Shares	Equity Shares tendered by Eligible Shareholders over and above their respective Buy-back Entitlement and such that total number of Equity Shares tendered does not exceed the Equity Shares held on the Record Date by such Eligible Shareholders.
Articles of Association/AoA	Articles of Association of the Company, as amended from time to time.
AOP	Association of Persons
Board Meeting	Meeting of the Board of Directors held on December 28, 2021 approving the proposal for the Buyback Offer.
Board / Board of Directors/Directors	Board of Directors of the Company and shall be deemed to include any committee which the Board of Directors may constitute to exercise its powers.
BSE	BSE Limited

Term	Description
Buy-back Closing Date	[●]
Buyback Committee/Committee	The Buyback Committee of the Board, constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated December 28, 2021.
Buy-back Entitlement or Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buy-back, based on the number of Equity Shares held by that Eligible Shareholder on the Record Date in the ratio of Buy-back as applicable in the category.
Buy-back or Buy-back Offer or Offer or Buy-back Size	Buy-back of up to 11,20,000 (Eleven Lakhs Twenty Thousand) fully paid-up equity shares of the Company of face value of ₹ 2/- (Rupees Two Only) each (“ Equity Share(s) ”), at a price of ₹ 2,550/- (Rupees Two Thousand Five Hundred Fifty Only) per Equity Share for an aggregate amount not exceeding ₹285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs only) from Eligible Shareholders, through the Tender Offer on a proportionate basis.
Buy-back Opening Date	[●]
Buy-back Period	The period between date of Board Meeting considering Buy-back of Equity Shares, i.e., December 28, 2021 and the date on which the payment of consideration to the Eligible Shareholders whose Equity Shares have been accepted in the Buy-back will be made, i.e., on or before [●].
Buy-back Price	Price at which Equity Shares will be bought back from the Eligible Shareholders, i.e., ₹2,550/- (Rupees Two Thousand Five Hundred Fifty Only) per fully paid-up Equity Share, payable in cash.
Buy-back Regulations	The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended from time to time
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clearing Corporation	NSE Clearing Limited
Company / APL / “we” / “us” / “our”	Ajanta Pharma Limited
Companies Act or Act	The Companies Act, 2013, as amended
Company’s Broker	Pravin Ratilal Share and Stock Brokers Private Limited (PRSSB)
Compliance Officer to Buy-back Offer	Mr. Gaurang Shah, Company Secretary & Compliance Officer
Company’s Demat Account	The depository account opened by the Company with Depository Participant in relation to the Buy-back.
Demat Share(s)	Equity Share(s) of the Company in dematerialised form.
Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited
Designated Stock Exchange	The designated stock exchange for the Buy-back is National Stock Exchange of India Limited.
DP	Depository Participant
DTAA	Double Taxation Avoidance Agreement
Draft Letter of Offer / DLoF	This Draft Letter of Offer dated January 04, 2022 filed with SEBI through the Manager containing necessary disclosures in relation to the Buy-back as specified in the Buy-back Regulations
DIN	Director Identification Number
Director	Director(s) of the Company
Eligible Shareholder(s) or Equity Shareholder(s)	All shareholders/beneficial owners holding Equity Shares as on the Record Date being Friday, January 14, 2022 and who are eligible to participate in the Buy-back in terms of this DLoF.
Equity Shares	Fully paid-up equity shares of face value of ₹2/- (Rupees Two Only) each of the Company.
Escrow Account	The Escrow Account titled “[●]” to be opened with Escrow Bank in terms of the Escrow Agreement.
Escrow Bank / Escrow Agent	[●]
Escrow Agreement	The escrow agreement dated [●] entered into between the Company, Escrow Bank and Manager to the Buy-back.

Term	Description
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investor(s)
Financial Year / FY / Fiscal / Fiscal Year	Period of 12 months ended March 31 of that particular year
General Category	Category of Eligible Shareholders(s) other than the Small Shareholders
GoI	Government of India
HUF	Hindu Undivided Family
IT Act / Income Tax Act	Income Tax Act, 1961, as amended from time to time
IND AS	Indian Accounting Standards
Letter of Offer / LoF	The Letter of Offer to be filed with SEBI containing disclosures in relation to the Buy-back as specified in the Buy-back Regulations, including comments received from SEBI on the DLoF.
LTCG	Long-term Capital Gains
Manager to the Buy-back / Manager	Vivro Financial Services Private Limited
Non-Resident Shareholders	Equity Shareholders other than resident Equity Shareholders including Non-Resident Indians (NRI), Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI), erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals.
NRE Account	Non-resident external account
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Offer Period / Tendering Period / Buy-back Offer Period	Period of 10 (Ten) Working Days from the Buy-back Opening Date i.e., [●] till Buy-back Closing Date i.e., [●] (both days inclusive)
Offer Price / Buyback Offer Price/ Buyback Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 2,550/- (Rupees Two Thousand Five Hundred Fifty only) per Equity Share, payable in cash
Promoters and Promoter Group	Promoters, members of the promoter group and persons acting in concert (PACs) including such persons as have been disclosed under filings made by the Company from time to time under the Listing Regulations and the SEBI SAST Regulations, as amended.
Public Announcement / PA	Public announcement dated December 29, 2021 in relation to Buy-back which was published on December 30, 2021 in all editions of Business Standard (English national daily), all editions of Business Standard (Hindi national daily) and Mumbai edition of Pratahkal (Regional language daily – Marathi)
Physical Share(s)	Equity Share(s) of the Company in physical form.
PAN	Permanent Account Number
Ratio of Buy-back or Entitlement Ratio	The ratio of the Buy-back for the Equity Shares held by Eligible Shareholders as on Record Date: (i) in case of Small Shareholders (“ Reserved Category ”), [●] Equity Shares for every [●] Equity Shares; and (ii) in case of Eligible Shareholders other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares.
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the Buy-back Entitlement and the names of the equity shareholders to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the Buy-back in accordance with the Buy-back Regulations and in terms of the Letter of Offer. The Record Date for the Buy-back is Friday, January 14, 2022.
Registrar to the Buy-back / Registrar	Link Intime India Private Limited
Reserved Category	Category of the Small Shareholders eligible to tender Equity Shares in the Buy-back.
SEBI	The Securities and Exchange Board of India

Term	Description
Shareholder Member / Seller Member / Shareholder Broker	A Stock Broker of an Eligible Shareholder, through whom the Eligible Shareholder may participate in the Buy-back.
Small Shareholder	An Eligible Shareholder who holds Shares whose market value, on the basis of closing price of Shares on the recognized stock exchange, in which highest trading volume in respect of such Shares is recorded on the Record Date, is not more than ₹2,00,000 (Rupees Two Lakhs).
STCG	Short-term Capital Gains
Stock Exchanges/ Recognised Stock Exchanges	BSE and NSE being the stock exchanges where the Equity Shares of the Company are listed.
SEBI LODR Regulations/ Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI SAST Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders
Tender Offer	Method of Buy-back as defined in Regulation 2(i)(q) read with Regulation 9(vii) of the Buy-back Regulations using stock exchange mechanism.
TRS	Transaction Registration Slip generated by the exchange bidding system.
Transaction Costs	Transaction cost incurred or to be incurred for the Buy Back viz. fees, brokerage, applicable taxes such as buyback tax, securities transaction tax, goods and services tax, stamp duty, turnover charges, filing fees, advisor fees, Public Announcement expenses, printing and dispatch expenses and other incidental and related expenses etc.
U.S.	United States / United States of America
Working Day(s)	Working day shall have the meaning ascribed under Regulation 2(i)(s) of the Buy-back Regulations.

Certain conventions, currency of presentation, use of financial information and stock market data

Page Numbers and Paragraph Numbers

Unless otherwise stated, all references to page numbers and paragraph numbers in this Draft Letter of Offer are to page numbers of this Draft Letter of Offer.

Currency and Units of Presentation

All references to “Rupee(s)” or “Rs.” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India.

Financial and Other Data

Unless stated or the context requires otherwise, our financial information in this Letter of Offer is derived from the audited standalone financial statements and audited consolidated financial statements for the fiscal year 2021, 2020 and 2019 and limited reviewed unaudited standalone financials and unaudited consolidated financials for period of six month ending September 30, 2021.

Our Company’s fiscal year commences on April 1 of each year and ends on March 31 of the next year (referred to herein as “Fiscal”, “Fiscal Year” or “FY” or “Financial Year”).

All data related to financials are given in INR Crore, unless otherwise stated.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding-off and casting adjustments. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Stock Market Data

Unless stated or the context requires otherwise, stock market data included in this Draft Letter of Offer is derived from the websites of the Stock Exchanges.

3. DISCLAIMER CLAUSE

3.1. As required, a copy of this Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not, in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buy-back commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buy-back, i.e., Vivro Financial Services Private Limited, has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Act and Buy-back Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buy-back.

3.2. It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the Buy-back is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buy-back, has furnished to SEBI a Due Diligence Certificate dated January 04, 2022, in accordance with Buy-back Regulations, which reads as follows:

“We have examined various documents and materials relevant to the Buy-back as part of the due diligence carried out by us in connection with the finalization of the Public Announcement dated December 29, 2021 and the Draft Letter of Offer dated January 04, 2022. On the basis of such examination and the discussions with the Company, we hereby state that:

- *The Public Announcement and the DLoF are in conformity with the documents, materials and papers relevant to the Buy-back;*
- *All the legal requirements connected with the said Buy-back including the SEBI (Buy-Back of Securities) Regulations, 2018, as amended, have been duly complied with;*
- *The disclosures in the Public Announcement and the DLoF are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned Buy-back;*
- *Funds used for Buy-back shall be as per the provisions of the Companies Act, 2013.”*

3.3. The filing of Draft Letter of Offer with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Act, or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Buy-back.

3.4. The Promoters and Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Shareholders has been suppressed, withheld and/ or incorporated in the manner that would amount to mis-statement or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed, withheld and / or amounts to a mis-statement or misrepresentation, the Promoters and Directors and the Company shall be liable for penalty in terms of the provisions of the Act and the Buy-back Regulations other applicable laws and regulations.

3.5. The Promoters and Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buy-back.

3.6. **NO OFFER TO SUBSCRIBE / PURCHASE / SELL, OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL, ANY SECURITIES OF THE COMPANY OR AS A SOLICITATION OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL ANY SECURITIES OF THE COMPANY INCLUDING THE EQUITY SHARES IS MADE IN A JURISDICTION, OTHER THAN INDIA, WHERE IT IS ILLEGAL, OR ANY ACTION OR APPROVAL IS REQUIRED, TO MAKE THIS BUY-BACK:**

- a) The Public Announcement that was published on December 30, 2021 and this Draft Letter of Offer in connection with this Buy-back, have been prepared for the purposes of compliance with the Buy-back 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 of India. The Company and the Manager to the Buy-back are under no obligation to update the information contained herein at any time after the date of the Letter of Offer. This Draft Letter of Offer does not in any way constitute an offer in any form, or an invitation in any form to subscribe / purchase / sell, any securities of the Company in any jurisdiction (other than India) or as a solicitation or an invitation in any form to subscribe / purchase / sell any securities including the Equity Shares of the Company.

- b) **Disclaimer for US Persons:** The information contained in this Draft Letter of Offer is exclusively intended for persons who are not U.S. Persons, as such term is defined in Regulation S of the U.S. Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to note and observe any such restrictions.
- c) **Disclaimer for Persons in foreign countries other than the United States of America:** This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to note and observe any such restrictions.
- d) No action has been or will be taken by the Company or Manager to the Buy-back to permit the Buy-back in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all Equity Shareholders either through email or physically as per Buy-back Regulations whose names appear in the register of member of the Company, on the Record Date. However, receipt of the Letter of Offer by any Eligible Shareholder in a jurisdiction in which it would be illegal to make this Buy-back, or where making this Buy-back would require any action to be taken (including, but not restricted to, registration of this Draft Letter of Offer under any local securities laws of any jurisdiction outside of India), shall not be treated by such Eligible Shareholder as an offer or invitation to offer being made to them and shall be construed by them as being sent for information purposes only.
- e) Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buy-back 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 the Buy-back.

3.7. Forward Looking Statement:

- a) This Draft Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.
- b) Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on Tuesday, December 28, 2021. The extracts of the minutes of the Board Meeting are as follows:

RESOLVED THAT pursuant to provisions of Article 18 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 (**“the Act”**) and applicable rules made there under including the Companies (Share Capital and Debentures) Rules, 2014 as amended, if and to the extent applicable and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended from time to time (**“Buy-back Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“Listing Regulations”**) and subject to such other approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (herein referred to as the **“Board”** which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution), consent of the Board be and is hereby accorded for the Buy-back of fully paid up equity shares of the Company having face value of ₹2/- each (**“Equity Share(s)”**) up to 11,20,000 Equity Shares (representing 1.29% of the total number of Equity Shares of the Company) at a price of ₹2,550/- (Rupees Two Thousand Five Hundred Fifty only) (**“Buy-back Price”**) per Equity Share payable in cash for a total consideration not exceeding ₹285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs only), excluding transaction costs viz. fees, brokerage, buy-back tax, other applicable taxes such as securities transaction tax, goods and service tax, stamp duty, etc. (**“Transaction Costs”**) (hereinafter referred to as **“Buy-back Size”**), which represents 9.89% and 9.55% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements of the Company for the financial year ended on March 31, 2021, respectively, through the **“Tender Offer”** process as prescribed under the Buy-back Regulations (the process being referred hereinafter as **“Buy-back”**), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company including promoters, members of promoter group and persons acting in concert (it being understood that the **“Promoter”**, **“Promoter Group”** and **“Persons Acting in Concert”** will be such persons as have been disclosed under the shareholding pattern filed by the Company from time to time under the Listing Regulations and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended), as on the record date;

RESOLVED FURTHER THAT the Board of Directors hereby fixes **Friday, January 14, 2022** as the Record Date for the purpose of Buy-back of Equity Shares of the Company (**“Record Date”**);

RESOLVED FURTHER THAT 15% (Fifteen percent) of the total number of Equity Shares which the Company proposes to Buy-back or such number of Equity Shares entitled as per the shareholding of small shareholders, as on the Record Date, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buy-back Regulations;

RESOLVED FURTHER THAT the Buy-back from non-resident shareholders, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors, Foreign Portfolio Investors and shareholders of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any;

RESOLVED FURTHER THAT the Company shall earmark adequate sources of funds for the purpose of the Buy-back and the amount required by the Company for the Buy-back is intended to be met out of the Company's balances in free reserves, current surplus and/or cash and cash equivalents and/or internal accruals and/or liquid

resources and/or such other permissible sources of funds (and not from any borrowed funds) of the Company, as permitted under the Act and the Buy-back Regulations;

RESOLVED FURTHER THAT the Company shall implement the Buy-back using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, as may be amended from time to time and the Company shall approach the National Stock Exchange of India Limited for facilitating the same;

RESOLVED FURTHER THAT the Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("**Listing Regulations**");

RESOLVED FURTHER THAT in terms of Regulation 24(iii) of the Buy-back Regulations, Mr. Gaurang Shah, Company Secretary and Compliance Officer, be and is hereby appointed as the Compliance Officer for the proposed Buy-back and Link Intime India Private Limited, Registrar of the Company, be and is hereby appointed as the Registrar to the Buy-back offer and the Investor Service Centre;

RESOLVED FURTHER THAT the approval of the Board be and is hereby accorded for the confirmation of appointment of Vivro Financial Services Private Limited as Manager to the Buy-back;

RESOLVED FURTHER THAT the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the following opinion:

- a) That immediately following the date of this meeting i.e., December 28, 2021, there will be no grounds on which the Company can be found unable to pay its debts;
- b) That as regards the Company's prospects for the year immediately following the date of this meeting i.e. December 28, 2021, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this meeting.
- c) In forming its opinion aforesaid, the Board has considered the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities);

RESOLVED FURTHER THAT in terms of Section 68(6) of the Act read with Regulation 8(1)(b) of the Buy-back Regulations, the drafts of the declaration of solvency prepared in the prescribed form and supporting affidavit, the statement of assets and liabilities in the prescribed form SH-9 as at March 31, 2021, as placed before the Board, be and are hereby approved and Mr. Yogesh Mannalal Agrawal (DIN: 00073673) – Managing Director and Mr. Rajesh Mannalal Agrawal (DIN: 00302467) – Joint Managing Director of the Company be and are hereby authorized to sign the same for and on behalf of the Board, and Mr. Arvind Agrawal, Chief Financial Officer & Mr. Gaurang Shah, Company Secretary and Compliance Officer, be and are hereby severally authorised to file the same with the Registrar of Companies, Maharashtra, Mumbai, ("**ROC**") and the Securities and Exchange Board of India or any such other concerned authorities, as may be necessary in accordance with applicable laws;

RESOLVED FURTHER THAT the Board of Directors hereby confirms that –

- i. All the Equity Shares which the Company proposes to buy-back are fully paid up;
- ii. The aggregate consideration for the Buy-back is not exceeding ₹285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs only) excluding Transaction Costs and does not exceed 10% of the aggregate of the fully paid up equity share capital and free reserves (including securities premium account)

as per the audited financial statements of the Company for the financial year ended on March 31, 2021 and the maximum number of Equity Shares proposed to be bought back under the Buy-back i.e. 11,20,000 (Eleven Lakhs Twenty Thousand) Equity Shares does not exceed 25% of the total number of equity shares in the paid up share capital of the Company;

- iii. The Company shall not issue any Equity Shares or other specified securities including by way of bonus till the date of expiry of the Buy-back period except in discharge of subsisting obligations such as stock option schemes, sweat equity, as may be permitted under the relevant regulations and applicable law;
- iv. The Company shall not raise further capital in cash for a period of one year from the expiry of the Buy-back period, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- v. The Company shall not Buy-back any locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
- vi. The Company shall not Buy-back its Equity Shares from any person through negotiated deal whether on or off the Stock Exchange(s) or through spot transactions or through any private arrangement;
- vii. The Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- viii. The Company has not undertaken a Buy-back of any of its securities during the period of one year immediately preceding the date of this meeting;
- ix. There are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks;
- x. The ratio of the aggregate of secured and unsecured debts owned by the Company immediately after the Buy-back shall not be more than twice the paid up capital and free reserves of the Company based on both standalone and consolidated financial statements of the Company;
- xi. There shall not be pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act outstanding as on the date of Public Announcement;
- xii. The Company will not withdraw the Buy-back after the Draft Letter of Offer is filed with the SEBI;
- xiii. The funds borrowed from banks and financial institutions will not be used for the Buy-back;
- xiv. The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act.

RESOLVED FURTHER THAT nothing contained herein above shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board to Buy-back any Equity Shares, and / or impair any power of the Company or the Board to terminate any process in relation to such Buy-back as permissible by law;

RESOLVED FURTHER THAT Mr. Mannalal Bhagwandas Agrawal (DIN: 00073828) – Chairman, Mr. Yogesh Mannalal Agrawal (DIN: 00073673) – Managing Director, Mr. Rajesh Mannalal Agrawal (DIN: 00302467) – Joint Managing Director, Mr. Arvind Agrawal – Chief Financial Officer and Mr. Gaurang Shah, Company Secretary & Compliance Officer of the Company, be and are hereby jointly and/or severally authorized to finalise and make necessary changes as may be required and sign and issue the Public Announcement, Draft Letter of Offer, Letter of Offer and Post Buy-back Announcement and addendum/corrigendum thereto, all relevant forms, documents, applications, consents, undertakings, declarations, confirmation and such other documents and to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buy-back.

RESOLVED FURTHER THAT a Committee be constituted (“**Buyback Committee**”) comprising of Mr. Yogesh Mannalal Agrawal (DIN: 00073673) – Managing Director; Mr. Rajesh Mannalal Agrawal (DIN: 00302467) – Joint Managing Director; Mr. Arvind Agrawal - Chief Financial Officer and that Mr. Gaurang Shah - Company Secretary shall act as the Secretary to the Buyback Committee. Further, the Buyback Committee is hereby authorized, to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper, as the Buyback Committee may consider to be in the best interests of the shareholders, including but not limited to:

1. Appoint Buy-back broker, advertisement agency, printers, escrow agent(s) and such other persons/consultants for the Buy-back as may be required or deemed fit;
2. fix up the remuneration including commission, brokerage, fees, charges etc. and terms & conditions for the appointments referred to in point 1 above;
3. fix entitlement ratio in accordance with the Buy-back Regulations for the eligible shareholders from whom the buy-back of Equity Shares shall be made;
4. approve / file the final public announcement, draft letter of offer and final letter of offer, filing of declaration of solvency, certificate of extinguishment of equity shares and extinguishment of equity shares in dematerialized form and also physical destruction of share certificates and all other documents / acts required to be filed / done in connection with the Buy-back Offer with SEBI, stock exchange, ROC, National Securities Depository Limited, Central Depository Services (India) Limited, together referred as (“**Depositories**”) and other appropriate authorities;
5. make all the applications to the appropriate authorities for their requisite approvals;
6. open, operate and close all the necessary accounts such as broking account, escrow account, special account(s) and any other bank account(s) and depository account for the purpose of the Buy-back Offer and authorize persons to operate the said accounts;
7. arrange for bank guarantees and/or Cash Deposits and/or Marketable Securities as may be necessary for the Buy-back Offer in accordance with applicable laws;
8. decide source of funds for paying the consideration to the equity shareholders who have tendered their equity shares in the Buy-back Offer;
9. authorize bankers to act upon the instructions of the Merchant Banker as required under the Buy-back Regulations;
10. make any alteration(s), modification(s), to the terms and conditions of the Buy-back Offer in accordance with the statutory requirements and as may deem necessary;
11. delegate all or any of the powers, rights or authorities conferred above to any officer(s) / authorized representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be felt necessary or as may be suggested by the appropriate authorities or advisors;
12. settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company and
13. do and perform all such acts, matters, deeds and things as it may in its absolute discretion deem necessary or desirable for the purpose of Buy-back as is in the best interest of the Company.

RESOLVED FURTHER THAT at any meeting of the Buy-back Committee, any two members of the Committee shall constitute the quorum and Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions and that resolutions by circulation shall require approval by majority of the members of the Committee;

RESOLVED FURTHER THAT any of the Directors of the Company, Chief Financial Officer and /or the Company Secretary for the time being, be and are hereby severally authorized to send the necessary intimations to the Stock Exchanges in relation to this resolution, as may be required under the Listing Regulations; to file necessary e-forms with the RoC and to do all such acts, deeds and things or incidental for signing and filing of forms, payment of fees etc. and to do all such other acts, things and deeds, as may be required for the aforesaid purpose or other services as that may be necessary to give effect to the above resolutions;

RESOLVED FURTHER THAT the common seal of the Company, if required be affixed on such documents in the presence of any one of the Directors and duly countersigned by the Company Secretary.”

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 7(i) of the Buy-back Regulations, the Company has made a Public Announcement dated December 29, 2021 in relation to the Buy-back which was published on December 30, 2021 in the following newspapers, within two Working Days from the date of Board Meeting held to approve the Buy-back i.e., December 28, 2021:

Name of the Newspaper	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Pratahkal	Marathi	Mumbai

A copy of the Public Announcement is available on the Company's website (www.ajantapharma.com) and is available on the website of SEBI (www.sebi.gov.in) and on the website of Stock Exchanges i.e., www.bseindia.com and www.nseindia.com.

6. DETAILS OF THE BUY-BACK

- 6.1 The Board of Directors of Ajanta Pharma Limited (hereinafter referred to as the "Board" which term shall be deemed to include any committee constituted by Board to exercise its powers), at their meeting held on December 28, 2021, approved the Buy-back of upto 11,20,000 (Eleven Lakhs Twenty Thousand) fully paid up equity shares of face value of ₹ 2/- each ("**Equity Shares**") (representing 1.29% of total number of Equity Shares of the Company) at a price of ₹ 2,550/- (Rupees Two Thousand Five Hundred Fifty only) per Equity Share payable in cash for an aggregate amount not exceeding ₹ 285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs only) excluding Transaction Costs, which represents 9.89% and 9.55% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements of the Company as on March 31, 2021, respectively on a proportionate basis through the tender offer process using stock exchange mechanism as prescribed under the Buy-back Regulations, from all the equity shareholders / beneficial owners of the Equity Shares of the Company including Promoters and Promoter Group of the Company who hold Equity Shares as on the record date i.e., Friday, January 14, 2022.
- 6.2 The Buy-back is in accordance with the provisions of Article 18 of the Articles of Association of the Company and Sections 68, 69 and 70 and all other applicable provisions of the Act and applicable rules made there under including the Companies (Share Capital and Debentures) Rules, 2014 as amended, and in compliance with the Buy-back Regulations, the Listing Regulations, the Foreign Exchange Management Act, 1999 and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or any person authorised by the Board.
- 6.3 The Buy-back Offer will be undertaken on a proportionate basis from the equity shareholders/ beneficial owner of Equity Shares of the Company as on the Record Date ("**Eligible Shareholders**") through the tender offer process prescribed under Regulation 4(iv)(a) read with Regulation 9(x) of the Buy-back Regulations. Additionally, the Buy-back Offer shall be, implemented by tendering of Equity Shares by Eligible Shareholders and settlement of the same through the stock exchange mechanism as specified by SEBI in the circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 and circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 (the "**SEBI Circulars**") in terms of Regulation 9(vii) of the Buy-back Regulations.
- 6.4 As on date of Board Meeting approving Buy-back, the Promoters and Promoter Group were holding Equity Shares of the Company representing 70.34% of the existing paid up equity share capital of the Company.
- 6.5 The aggregate paid-up share capital and free reserves (including securities premium account) of the Company as on March 31, 2021, based on audited standalone financial statements and audited consolidated financial statements is ₹2,888.49 crores and ₹2,989.95 crores. In accordance with section 68(2)(b) of the Act and proviso to Regulation 5(i)(b) of the Buy-back Regulations, the Board of Directors of a company can authorize the buy-back of equity shares involving payment of consideration not exceeding 10% of the total paid up equity share capital and free reserves (including securities premium account) of the company based on audited standalone financial statements and audited consolidated financial statements of the company as on March 31, 2021, respectively. Accordingly, the Company has proposed to utilise an aggregate amount not exceeding ₹285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs only) excluding Transaction Costs for the Buy-back which is within the aforesaid limit and represents 9.89% and 9.55% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements of the Company as on March 31, 2021, respectively.
- 6.6 Further, under the Act, the number of Equity Shares that can be bought back during a financial year shall not exceed 25% of the total number of outstanding Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during a financial year cannot exceed 2,16,33,942 Equity Shares, being

25% of the total number of outstanding Equity Shares of the Company, i.e., 8,65,35,770 Equity Shares. Since the Company proposes to Buy-back of up to 11,20,000 Equity Shares, the same is within the aforesaid limit.

- 6.7 In terms of Buy-back Regulations, under the Tender Offer process, Promoters and Promoter Group have an option to participate in the Buy-back. In this regard, the details of the Promoters and Promoter Group who have expressed their intention to participate and details of their maximum participation in the Buy-back are given in paragraph 9.4 hereinafter.
- 6.8 Pursuant to the Buy-back and depending upon the response to the Buy-back, the voting rights and percentage shareholding of the Promoters and Promoter Group in the Company may increase or decrease from their existing voting rights and percentage shareholding. The Promoters and Promoter Group are already having control over the affairs of the Company and therefore such increase/decrease in their voting rights, if any consequent to Buy-back of Equity Shares, will not result in any change in control over the affairs of the Company and shall be in compliance with the provisions of the SEBI SAST Regulations.
- 6.9 Post Buy-back, the level of holding of public shareholders in the Company shall not fall below the minimum level of public shareholding required to be maintained in terms of the Securities Contracts (Regulation) Rules, 1957 (“SCRR”) and under the Listing Regulations. Due to any reason, if the public shareholding in the Company post Buy-back falls below the minimum level of public shareholding prescribed under the SCRR, the Company undertakes to bring the public shareholding to the minimum prescribed level within the time and in the manner prescribed under the SCRR and the Listing Regulations.
- 6.10 The Buy-back of Equity Shares may be subject to taxation in India and / or in the country of residence of the Eligible Shareholder(s). In due course, Eligible Shareholder(s) will receive a Letter of Offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible Shareholder(s) are requested to consult their tax advisors for the applicable tax implications, provisions including the treatment that may be given by their respective tax officers in their case and the appropriate course of action that they should take.

7. AUTHORITY FOR THE BUY-BACK

- 7.1. The Buy-back is being undertaken by the Company in accordance with the provisions of Article 18 of the Articles of Association of the Company and Sections 68, 69, 70 and all other applicable provisions of the Act and applicable rules made thereunder and in compliance with the Listing Regulations, Foreign Exchange Management Act, 1999 and in compliance with the Buy-back Regulations and in terms of resolution passed by the Board at its meeting held on December 28, 2021.
- 7.2. The Buy-back is further subject to approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities as required under applicable laws, including but not limited to SEBI and the Stock Exchanges.

8. NECESSITY OF THE BUY-BACK

The Buy-back is being undertaken by the Company to enhance shareholders’ value and improve financial ratios. Additionally, the Buy-back is being undertaken for the following reasons:

- i. The Buy-back will help the Company to distribute surplus funds to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the shareholders;
- ii. The Buy-back, which is being implemented through the Tender Offer as prescribed under the Buy-back Regulations, would involve a reservation of 15% of the Buy-back Size for small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as “Small Shareholders” as defined under Regulation 2(i)(n) of the Buy-back Regulations;
- iii. The Buy-back will help in improving financial ratios like earnings per share, return on assets and return on equity calculated on the basis of financial statements, by reducing the equity base of the Company; and
- iv. The Buy-back gives an option to the Eligible Shareholders to either choose to participate in the Buy-back and receive cash in lieu of their Equity Shares which are accepted under the Buy-back or choose not to participate in the Buy-back and get a resultant increase in their percentage shareholding in the Company post Buy-back, without additional investment.

9. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUY-BACK ON THE COMPANY

- 9.1. The Company believes that the Buy-back is not likely to cause any material impact on the profitability / earnings of the Company except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Company does not have any investment avenues in the near future for which these funds can be deployed. Assuming that the response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion of their respective Buy-back Entitlement, the funds deployed by the Company towards the Buy-back would be ₹ 285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs only) excluding Transaction Costs.
- 9.2. The Company believes that the Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company. The Buyback is being undertaken, inter alia, for helping the Company to return surplus cash to the Eligible Shareholders broadly in proportion to their shareholding, thereby, enhancing the overall return to the shareholders. The Buy-back of Equity Shares shall not affect the existing management structure of the Company.
- 9.3. The aggregate shareholding of (i) the Promoters and Promoter Group of the Company, (ii) the directors and partners of the promoter group companies / entities and (iii) Directors and key managerial personnel (“KMPs”) of the Company as on the date of the Board Meeting i.e., December 28, 2021 is given below:

(A) Aggregate shareholding of Promoters and Promoter Group of the Company

Sr. No.	Name of Shareholder	No. of Equity Shares held in the Company	% Shareholding
1.	Yogesh M Agrawal, trustee Yogesh Agrawal Trust	1,25,33,346	14.48
2.	Rajesh M Agrawal, trustee Rajesh Agrawal Trust	1,25,33,345	14.48
3.	Ravi P Agrawal, trustee Ravi Agrawal Trust	1,24,33,113	14.37
4.	Aayush M Agrawal, trustee Aayush Agrawal Trust	1,24,23,429	14.36
5.	Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal	23,44,328	2.71
6.	Ravi P Agrawal	1,90,000	0.22
7.	Aayush M Agrawal	20,000	0.02
8.	Mannalal B Agrawal	-	-
9.	Gabs Investments Private Limited*	83,92,262	9.70
	Total	6,08,69,823	70.34

*Directors of Gabs Investment Private Limited are Mr. Yogesh Agrawal, Mr. Rajesh Agrawal, Mr. Ravi Agrawal and Mr. Aayush Agrawal

(B) Aggregate shareholding of directors and partners of the promoter group companies / entities held in the Company

Sr. No.	Name of Shareholder	No. of Equity Shares held in the Company	% Shareholding
1.	Yogesh Agrawal ⁽¹⁾	1,34,12,469	15.50
2.	Rajesh Agrawal ⁽²⁾	1,34,12,468	15.50
3.	Ravi Agrawal ⁽³⁾	1,32,09,195	15.26
4.	Aayush Agrawal ⁽⁴⁾	1,24,43,429	14.38
	Total	5,24,77,561	60.64

⁽¹⁾ 1,25,33,346 Equity Shares held in capacity as trustee of Yogesh Agrawal Trust and 8,79,123 Equity Shares as partner of Ganga Exports, where the partner's share being 37.50%.

⁽²⁾ 1,25,33,345 Equity Shares held in capacity as trustee of Rajesh Agrawal Trust and 8,79,123 Equity Shares as partner of Ganga Exports, where the partner's share being 37.50%.

⁽³⁾ 1,24,33,113 Equity Shares held in capacity as trustee of Ravi Agrawal Trust, 1,90,000 Equity Shares held in individual name in the Company and 5,86,082 Equity Shares as partner of Ganga Exports, where the partner's share being 25.00%.

⁽⁴⁾ 1,24,23,429 Equity Shares held in capacity as trustee of Aayush Agrawal Trust and 20,000 Equity Shares held in individual name in the Company.

(C) Aggregate shareholding of Directors and of KMPs of the Company

Sr. No.	Name of Shareholder	Designation	No. of Equity Shares held in the Company	% Shareholding
1.	Yogesh Agrawal ⁽¹⁾	Managing Director	1,34,12,469	15.50
2.	Rajesh Agrawal ⁽²⁾	Joint Managing Director	1,34,12,468	15.50
3.	Chandrakant Khetan	Independent Director	700	Negligible
4.	Arvind Agrawal	Chief Financial Officer	25,968	0.03
5.	Gaurang Shah	Company Secretary	1,000	Negligible
	Total		2,68,52,605	31.03%

⁽¹⁾ 1,25,33,346 Equity Shares held in capacity as trustee of Yogesh Agrawal Trust and 8,79,123 Equity Shares as partner of Ganga Exports, where the partner's share being 37.50%.

⁽²⁾ 1,25,33,345 Equity Shares held in capacity as trustee of Rajesh Agrawal Trust and 8,79,123 Equity Shares as partner of Ganga Exports, where the partner's share being 37.50%.

9.4. Intention of the Promoters and Promoter Group to participate in the Buyback

In terms of the Buy-back Regulations, under the Tender Offer process, Promoters and Promoter Group have an option to participate in the Buy-back. In this regard, the Promoters and Promoter Group as listed herein below have expressed their intention vide letter dated December 28, 2021 to participate in the Buy-back and to tender up to following number of Equity Shares in the Buy-back:

Sr. No.	Name of the Promoters and Promoter Group	No. of shares held as on the date of Board Meeting	Maximum No. of shares proposed to be tendered
1.	Yogesh M Agrawal, trustee Yogesh Agrawal Trust	1,25,33,346	18,80,000
2.	Rajesh M Agrawal, trustee Rajesh Agrawal Trust	1,25,33,345	18,80,000
3.	Ravi P Agrawal, trustee Ravi Agrawal Trust	1,24,33,113	25,00,000
4.	Aayush M Agrawal, trustee Aayush Agrawal Trust	1,24,23,429	31,06,000
5.	Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal	23,44,328	23,44,328
6.	Ravi P Agrawal	1,90,000	-
7.	Aayush M Agrawal	20,000	-
8.	Gabs Investments Private Limited	83,92,262	-
	TOTAL	6,08,69,823	1,17,10,328

9.5. Details of the date and price of acquisition of the Equity Shares that the Promoters and Promoter Group intend to tender are set out below:

1) Yogesh M Agrawal, trustee Yogesh Agrawal Trust

Sr. No.	Date of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)*	Nature of Transaction
1.	March 23, 2017	1,27,49,999	2	-	Inter-se transfer of equity shares received as Gift from Vimal Mannalal Agrawal

Sr. No.	Date of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)*	Nature of Transaction
2.	March 22, 2019	(1,10,065)	2	1,300	Equity shares Tendered in Buyback
3.	December 24, 2020	(1,06,588)	2	1,850	Equity shares Tendered in Buyback
	Total	1,25,33,346			

*excluding transaction costs like brokerage, STT, stamp duty etc.

2) Rajesh M Agrawal, trustee Rajesh Agrawal Trust

Sr. No.	Date of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)*	Nature of Transaction
1.	March 22, 2017	1,27,49,999	2	-	Inter-se transfer of equity shares received as Gift from Mannalal Agrawal
2.	March 22, 2019	(1,10,066)	2	1,300	Equity shares Tendered in Buyback
3.	December 24, 2020	(1,06,588)	2	1,850	Equity shares Tendered in Buyback
	Total	1,25,33,345			

*excluding transaction costs like brokerage, STT, stamp duty etc.

3) Ravi P Agrawal, trustee Ravi Agrawal Trust

Sr. No.	Date of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)*	Nature of Transaction
1.	March 24, 2017	1,26,59,999	2	-	Inter-se transfer of equity shares received as Gift from Madhusudan Agrawal
2.	March 22, 2019	(1,14,819)	2	1,300	Equity shares Tendered in Buyback
3.	December 24, 2020	(1,12,067)	2	1,850	Equity shares Tendered in Buyback
	Total	1,24,33,113			

* excluding transaction costs like brokerage, STT, stamp duty etc.

4) Aayush M Agrawal, trustee Aayush Agrawal Trust

Sr. No.	Date of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)*	Nature of Transaction*
1.	March 27, 2017	1,26,60,000	2	-	Inter-se transfer of equity shares received as Gift from Purushottam Agrawal
2.	March 22, 2019	(1,19,611)	2	1,300	Equity shares Tendered in

Sr. No.	Date of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)*	Nature of Transaction*
					Buyback
3.	December 24, 2020	(1,16,960)	2	1,850	Equity shares Tendered in Buyback
	Total	1,24,23,429			

* excluding transaction costs like brokerage, STT, stamp duty etc.

5) Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal

Sr. No.	Date of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)*	Nature of Transaction*
1.	March 31, 2006	6,85,000	10	-	Inter-se transfer of Equity Shares from Vimal M. Agrawal, Samata P. Agrawal and Mamta M. Agrawal
2.	July 07, 2012	13,70,000	5	-	Split of Equity shares from face value ₹10 to ₹5
3.	September 19, 2013	6,85,000	5	-	Bonus Issue of Equity Shares in the ratio of 1:2
4.	March 11, 2015	51,37,500	2	-	Split of Equity shares from face value ₹5 to ₹2
5.	July 10, 2017	(2,15,000)	2	1,555.63^	Market Sale
6.	July 11, 2017	(24,85,000)	2	1,502.95^	Market Sale
7.	March 22, 2019	(46,597)	2	1,300	Equity shares Tendered in Buyback
8.	December 24, 2020	(46,575)	2	1,850	Equity shares Tendered in Buyback
	Total	23,44,328			

* excluding transaction costs like brokerage, STT, stamp duty etc.

^Represent the average sell price of Equity Shares sold.

- 9.6. Assuming that certain members of the Promoters & Promoter Group as referred in paragraph 9.4 of this Draft Letter of Offer, tenders 1,17,10,328 (One Crore Seventeen Lakhs Ten Thousand Three Hundred Twenty Eight) Equity Shares in the Buyback (in accordance with the declaration provided by them) and if
- All the public Shareholders participate upto their entitlement (full acceptance), then the aggregate shareholding of the Promoters & Promoter Group, post Buyback will increase from [●]% (i.e. as on Record Date) to [●]% and the aggregate shareholding of the public in the Company shall decrease from [●]% to [●]% of the post Buyback equity share capital of the Company; or
 - None of the public shareholders participate, then the aggregate shareholding of the Promoters & Promoter Group, post Buyback will decrease from [●]% (i.e. as on Record Date) to [●]% and the aggregate shareholding of the public in the Company shall increase from [●]% (i.e. as on Record Date) to [●]% of the post Buyback equity share capital of the Company.
- 9.7. Consequent to the Buy-back and depending on the number of Equity Shares bought back from the non-resident shareholders, financial institutions, banks, mutual funds and other public shareholders, the shareholding of each such person shall undergo a change and the details of such change is given in paragraph 13.5 hereinafter. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 9.8. The debt-equity ratio immediately on completion of Buy-back shall be in compliance with the permissible limit of 2:1 prescribed under the Act based on both standalone and consolidated financial statements of the Company,

even if the response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement.

- 9.9. The Promoters, Promoter Group and PACs and their associates shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoters and Promoter Group, during the period from the date of passing of the board resolution till the closing of the Buy-back.
- 9.10. The Company shall not issue any new Equity Shares or other specified securities including by way of bonus till the date of expiry of the Buy-back Period.
- 9.11. The Company shall not raise further capital in cash for a period of one year from the date of expiry of the Buy-back Period except in discharge of its subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 9.12. Salient financial parameters consequent to the Buy-back based on the audited financial statements for the financial year ended on March 31, 2021 are as under:

Parameters	Standalone		Consolidated	
	Pre Buy-back	Post Buy-back [^]	Pre Buy-back	Post Buy-back [^]
Net Worth (₹ in crores)	2,884.98	2,599.38	2,995.63	2,710.03
Return on Net Worth (%)	23.42	25.99	21.61	23.89
Earnings Per Share (EPS) (Basic) (in ₹)	77.59	78.60	75.09	75.31
Book Value per share (in ₹)	333.40	304.34	346.19	317.29
Price / Earnings Multiple	23.09	22.80	23.86	23.79
Total Debt / Equity Ratio	0.00	0.00	0.00	0.00

[^] The Net Worth, Earnings per share and Book value per Equity Share has been calculated using the Net worth and Profit after Tax as on March 31, 2021 and the number of Equity Shares has been taken as on the date of the Public Announcement adjusted for the Buy-back Shares.

Note:

Net worth	Aggregate value of the paid-up share capital and all reserves excluding revaluation reserves and miscellaneous expenditure not written off. The post Buy-back number are calculated by reducing the net worth by the proposed Buy-back Amount (assuming full acceptance) without factoring in any impact in Profit & Loss account.
Return on Net Worth	Profit after Tax / Net Worth at the end of relevant period.
Earnings per Share	Profit after Tax / weighted average number of Equity Shares outstanding for the year.
Book value per Equity Share	Net Worth / Number of Equity Shares outstanding at the end of the year.
PE Multiple	Closing Market price on NSE as on March 31, 2021 i.e., ₹ 1,791.90 (being the last trading day of FY 2021)/ EPS excluding exceptional items as per latest audited financial statements i.e., March 31, 2021.
Total Debt / Equity Ratio	Total Debt (excluding working capital loans) / Net Worth.
EPS post Buy-back is computed after reducing 11,20,000 Equity Shares to be bought back under the Buy-back from weighted average number of Equity Shares outstanding for the year.	

10. BASIS OF CALCULATING THE BUY-BACK PRICE

- 10.1. The Equity Shares are proposed to be bought back at a price of ₹2,550/- (Rupees Two Thousand Five Hundred Fifty Only) per Equity Share. The Buy-back Price has been arrived at after considering various factors, including but not limited to, the volume weighted average market price of the Equity Shares of the Company on BSE and NSE where the Equity Shares of the Company are listed during 3 (three) months and 2 (two) weeks preceding the date of the Board Meeting, closing market price on the date of Board Meeting and the impact on the net worth of the Company.
- 10.2. The Buy-back Price of ₹ 2,550/- (Rupees Two Thousand Five Hundred Fifty Only) represents a premium of:

- a. 18.14% and 18.73% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively for 3 (three) months preceding the date of the Board Meeting;
- b. 20.27% and 21.11% over the volume weighted average market price of the Equity Shares on NSE and BSE, respectively for 2 (two) weeks preceding the date of the Board Meeting;
- c. 23.92% and 23.89% over the closing market price of the Equity Shares on NSE and BSE, respectively as on the date of intimation to Stock Exchanges of the Board Meeting to consider the proposal of the Buy-back; and
- d. 12.60% and 12.64% over the closing market price of the Equity Shares on NSE and BSE, respectively as on the date of the Board Meeting.

For trends in the market price of the Equity Shares, please refer to paragraph 16 (Stock Market Data) of this Draft Letter of Offer.

- 10.3. The closing market price of the Equity Shares as on the date of intimation of the date of the Board Meeting for considering the Buy-back to the Stock Exchanges, i.e., on December 23, 2021 was ₹2,057.70 on NSE and ₹2,058.35 on BSE. The Buy-back Price of ₹2,550/- amounts to a premium of 23.92% and 23.89% over the closing market price of the Equity Shares on NSE and BSE, respectively as on the date of intimation to Stock Exchanges of the Board Meeting to consider the proposal of the Buy-back.
- 10.4. The Buy-back Price is about 664.85% and 636.59% of the book value per Equity Share of the Company, which is ₹ 333.40 on standalone basis and ₹ 346.19 on consolidated basis as at March 31, 2021, respectively.
- 10.5. The EPS of the Company pre Buy-back as on March 31, 2021 on standalone basis is ₹77.59 which would increase to ₹78.60 and on consolidated basis is ₹75.09 which would increase to ₹ 75.31 post Buy-back assuming full acceptance of the Buy-back.
- 10.6. The Return of Net worth of the Company pre-Buy-back as on March 31, 2021 on standalone basis is 23.42% which would increase to 25.99% on consolidated basis is 21.61% which would increase to 23.89% post Buy-back assuming full acceptance of the Buy-back.

11. SOURCES OF FUNDS FOR THE BUY-BACK

- 11.1. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buy-back would be ₹285.60 crores (Rupees Two Hundred Eighty Five Crores Sixty Lakhs only) excluding Transaction Costs.
- 11.2. The Buy-back will be financed out of free reserves, current surplus and / or cash and cash equivalents and / or internal accruals of the Company and / or other permissible sources of funds but not from any borrowed funds. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet.

12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- 12.1. In accordance with Regulation 9(xi) of the Buyback Regulations, an Escrow Agreement has been entered into amongst the Company, the Manager to the Buyback and [●], having its registered office situated at [●] on [●].
- 12.2. In accordance with the Buyback Regulations, the Company has opened an Escrow Account in the name and style "[●]" bearing account number [●] with the Escrow Agent. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company undertakes to deposit ₹ [●] (Rupees [●] only) being equivalent to 25% up to ₹ 100 crores and 10% thereafter of the total consideration payable under proposed Buyback, in the Escrow Account on or before the opening the Buyback Offer. The Manager to the Buyback has been empowered to operate the Escrow Account in accordance with the Buyback Regulations.
- 12.3. The Company has adequate and firm financial resources to fulfill its obligations under the Buy-back and the same has been certified vide a certificate dated December 28, 2021 issued by Madanlal Parihar (Membership

No.: 047017), partner of AIMV & Associates, Chartered Accountants (FRN: 114173W), having office at G-1, Sushila Palace, Carter Road No. 5, Borivali (East) Mumbai – 400066, Maharashtra, India and telephone no: 022 - 28638328.

- 12.4. Based on the aforementioned certificate, the Manager to the Buy-back confirms that it is satisfied that the firm arrangements for fulfilling the obligations under the Buy-back are in place and that the Company has the ability to implement the Buy-back in accordance with the Buy-back Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1. The present capital structure of the Company is as follows:

Sr. No.	Particulars	Amount (in ₹ crore)
A	AUTHORISED SHARE CAPITAL	
	15,00,00,000 Equity Shares of ₹ 2/- each	30.00
B	ISSUED CAPITAL PRE BUY-BACK	
	8,73,02,270 Equity Shares of ₹2/- each	17.46
C	SUBSCRIBED AND PAID-UP CAPITAL PRE BUY-BACK	
	8,65,35,770 Equity Shares of ₹2/- each	17.31
	Add: 7,66,500 shares forfeited - amount originally paid up	0.09
D	TOTAL PAID UP SHARE CAPITAL BEFORE THE BUY-BACK	17.40 [^]
C	TOTAL PAID UP SHARE CAPITAL BEFORE THE BUY-BACK *	
	8,54,15,770 Equity Shares of ₹2/- each	17.17* [^]

* Assuming full acceptance of Equity Shares in the Buy-back Offer.

[^]The amount includes ₹ 0.09 crores on account of forfeiture of equity shares.

- 13.2. During the three (3) years preceding the date of the publication of Public Announcement (i.e. December 30, 2021), the Company has not undertaken any buyback, except the following:

No. of Equity shares bought back	Buyback price per Equity shares (₹)	Offer Opening Date	Offer Closing Date	Date of Payment to shareholders
7,69,230	1,300	February 28, 2019	March 14, 2019	March 22, 2019
7,35,000	1,850	December 03, 2020	December 16, 2020	December 24, 2020

- 13.3. As on date of this Draft Letter of Offer:

- there are no partly paid-up Equity Shares outstanding;
- there are no outstanding securities convertible into Equity Shares;
- there is no amount under calls in arrears; and
- no scheme of amalgamation or compromise or arrangement involving the Company is pending pursuant to any provisions of the Act.

- 13.4. The Company shall not issue any Equity Shares including by way of bonus, from the date of Public Announcement till the date of expiry of the Buy-back Period.

- 13.5. The shareholding pattern of the Company (a) pre Buy-back as on Record Date i.e., as on Friday, January 14, 2022 and (b) the post Buy-back is as follows:

Category of Shareholder	Pre Buy-back		Post Buy-back*	
	Number of Shares	% to existing Equity Share capital	Number of Shares	% to post Buy-back Equity Share capital
Promoters and Promoter Group	6,08,69,823	70.34	[●]	[●]
Foreign Investors (including Non-Resident Indians FIIs and Foreign Mutual Funds)	[●]	[●]	[●]	[●]
Financial Institutions / Banks & Mutual Funds promoted by Banks / Institutions	[●]	[●]		

Others (Public, Public Bodies Corporate, etc.)	[●]	[●]		
Total	8,65,35,770	100.00	[●]	[●]

**Assuming response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement.*

- 13.6. Assuming response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement, the aggregate shareholding of the Promoters and Promoter Group and PACs post Buy-back may undergo a change (not exceeding maximum permissible non-public shareholding) however exact percentage of such change will depend upon the response to the Buy-back and acceptances.
- 13.7. The Promoters and Promoter Group have not purchased or sold any Equity Shares of the Company and there has been no change in their shareholdings during a period of 12 (Twelve) months preceding the date of the Public Announcement.

14. BRIEF INFORMATION ABOUT THE COMPANY

14.1. Corporate and Business:

The Company was incorporated on December 31, 1979 as 'Ajanta Pharma Private Limited', a private limited company under the Companies Act, 1956, and subsequently upon conversion to a public limited company, the name was changed to 'Ajanta Pharma Limited' on August 11, 1986. The corporate identity number of the Company is L24230MH1979PLC022059. The registered and corporate office of the company is situated at 'Ajanta House', 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India.

The Company is a specialty pharmaceutical formulation company engaged in the development, manufacture and marketing of qualified finished dosages. The Company is focused on the branded generics market in India, Asia and African countries, generics market in USA besides Institutional segment in Africa. The Company has seven (7) manufacturing facilities in India out of which two (2) facilities have been approved by US FDA. The Company also has a research and development centre for finished formulations and active pharmaceutical ingredient synthesis. The Equity Shares of the Company are listed on BSE and NSE since June 5, 2000 and May 29, 2000. The ISIN of the Equity Shares is INE031B01049.

14.2. Financial performance of the Company:

On a standalone basis:

For the financial years ended March 31, 2021, 2020 and 2019, the Company recorded total income of ₹2,822.16 crores, ₹2,380.62 crores and ₹ 1,874.77 crores respectively, and Profit after Tax for financial years ended March 31, 2021, 2020 and 2019 of ₹ 675.64 crores, ₹441.13 crores and ₹ 391.76 crores respectively. As per limited review unaudited financial results for the six months period ended September 30, 2021, the Company recorded total income of ₹1,649.84 crores and Profit after Tax of ₹390.31 crores.

On a consolidated basis:

For the financial years ended March 31, 2021, 2020 and 2019, the Company recorded total income of ₹2,915.67 crores, ₹2,680.06 crores and ₹ 2,076.45 crores respectively, and Profit after Tax for financial years ended March 31, 2021, 2020 and 2019 of ₹ 653.87 crores, ₹467.70 crores and ₹ 386.97 crores respectively. As per limited review unaudited financial results for the six months period ended September 30, 2021, the Company recorded total income of ₹1,694.96 crores and Profit after Tax of ₹369.69 crores.

14.3. Capital built up:

The details of changes in the equity share capital of the Company since its incorporation are as follows:

Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consid- eration in Cash/ other than cash	Cumulativ e No. of Equity Shares	Cumulative Equity Share Capital (Rs.)	Reason of Allotment
November 23, 1979	100	100.00	100.00	Cash	100	10,000	Subscribers to the Memorandum of Association
February 20, 1981	1,920	100.00	100.00	Cash	2,020	2,02,000	Promoters & Relatives
March 10, 1981	2,980	100.00	100.00	Cash	5,000	5,00,000	Promoters & Relatives
February 25, 1982	7,000	100.00	100.00	Cash	12,000	12,00,000	Promoters & Relatives
March 03, 1983	7,250	100.00	100.00	Cash	19,250	19,25,000	Promoters & Relatives
March 05, 1985	5,600	100.00	100.00	Cash	24,850	24,85,000	Promoters & Relatives
February 18, 1986	100	100.00	100.00	Cash	24,950	24,95,000	Promoters & Relatives
July 07, 1986	2,49,500	10.00	-	N.A.	2,49,500	24,95,000	Sub-division of face value from Rs. 100/- to Rs. 10/-
June 08, 1992	11,20,500	10.00	10.00	Cash	13,70,000	1,37,00,000	Promoters & Relatives
June 12, 1992	12,33,000	10.00	-	Bonus Issue	26,03,000	2,60,30,000	Bonus Issue in ratio of 9:10
March 29, 1994	31,25,000	10.00	-	Other than cash	57,28,000	5,72,80,000	Amalgamation ⁽¹⁾
July 27, 1995	2,26,000	10.00	100.00	Cash	59,54,000	5,95,40,000	Promoters & Relatives
March 26, 1996	46,000	10.00	100.00	Cash	60,00,000	6,00,00,000	Promoters & Relatives
May 16, 1997	9,52,381	10.00	52.50	Cash	69,52,381	6,95,23,810	Lloyds Finance Limited
May 16, 1997	3,23,810	10.00	52.50	Cash	72,76,191	7,27,61,910	Promoters & Relatives
August 29, 1997	5,00,000	10.00	60.00	Cash	77,76,191	7,77,61,910	Unit Trust of India (A/c. VECAUS – I)
December 18, 1997	9,81,000	10.00	68.00	Cash	87,57,191	8,75,71,910	TCWI/ICICI India Pvt Equity Fund
March 31, 1998	49,050	10.00	68.00	Cash	88,06,241	8,80,62,410	ICICI private Equity Investments
April 20, 2000	30,55,559	10.00	225.00	Cash	1,18,61,800	11,86,18,000	Public Issue
August 21, 2003	(1,53,300)	10.00	-	N.A.	1,17,08,500	11,70,85,000	Forfeiture of Shares
July 7, 2012	117,08,500	5.00	-	N.A.	2,34,17,000	11,70,85,000	Sub-division of face value from Rs. 10/- to Rs. 5/-
April 30, 2013	16,800	5.00	5.00	Cash	2,34,33,800	11,71,69,000	ESOP Allotment
September 19, 2013	117,16,900	5.00	-	Bonus Issue	3,51,50,700	17,57,53,500	Bonus Issue in ratio of 1:2

Date of Issue/ Allotment	No. of Equity Shares	Face Value (Rs.)	Issue price (Rs.)	Consideration in Cash/ other than cash	Cumulative No. of Equity Shares	Cumulative Equity Share Capital (Rs.)	Reason of Allotment
May 05, 2014	26,700	5.00	5.00	Cash	3,51,77,400	17,58,87,000	ESOP Allotment
March 11, 2015	527,66,100	2.00	-	N.A.	8,79,43,500	17,58,87,000	Sub-division of face value from Rs. 5/- to Rs. 2/-
May 08, 2015	57,750	2.00	2.00	Cash	8,80,01,250	17,60,02,500	ESOP Allotment
May 06, 2016	3,750	2.00	2.00	Cash	8,80,05,000	17,60,10,000	ESOP Allotment
May 09, 2017	1,000	2.00	2.00	Cash	8,80,06,000	17,60,12,000	ESOP Allotment
August 22, 2017	8,500	2.00	2.00	Cash	8,80,14,500	17,60,29,000	ESOP Allotment
May 11, 2018	1,000	2.00	2.00	Cash	8,80,15,500	17,60,31,000	ESOP Allotment
September 14, 2018	7,500	2.00	2.00	Cash	8,80,23,000	17,60,46,000	ESOP Allotment
March 22, 2019	(7,69,230)	2.00	1,300.00	Cash	8,72,53,770	17,45,07,540	Buyback of Equity shares
May 31, 2019	1,000	2.00	2.00	Cash	8,72,54,770	17,45,09,540	ESOP Allotment
September 27, 2019	6,500	2.00	2.00	Cash	8,72,61,270	17,45,22,540	ESOP Allotment
October 31, 2020	5,500	2.00	2.00	Cash	8,72,66,270	17,45,33,540	ESOP Allotment
December 24, 2020	(7,35,000)	2.00	2.00	Cash	8,65,31,770	17,30,63,540	Buyback of Shares by the Company
September 24, 2021	4,000	2.00	2.00	Cash	8,65,35,770	17,30,71,540	ESOP Allotment

Note:

- (1) Equity Shares issued to shareholders of Ajanta Drugs and Pharmaceuticals P. Ltd. pursuant to scheme of amalgamation.

14.4. Board of Directors:

The details of the Board of Directors of the Company as on date of Public Announcement i.e., December 30, 2021 are as follows:

Name, Designation, Occupation, DIN & Age of the Director	Designation	Date of Appointment /Re- appointment	Other Directorships in Indian Companies
Mr. Mannalal B. Agrawal Qualifications: Bachelor of Commerce Occupation: Business DIN: 00073828 Age: 74 Years	Chairman	December 31, 1979	Nil
Mr. Madhusudan B. Agrawal Qualifications: Bachelor of Science (Part One) Occupation: Business DIN: 00073872	Vice Chairman	April 01, 2020	1. Gencrest Private Limited 2. Samta Mines and Minerals Limited 3. Vyata Space Concepts Private Limited 4. Agarwal Global Foundation

Name, Designation, Occupation, DIN & Age of the Director	Designation	Date of Appointment /Re-appointment	Other Directorships in Indian Companies
Age: 66 Years			5. Inspira Projects Limited 6. Inspira Infra (Aurangabad) Limited 7. Lenexis Foodworks Private Limited 8. Kwera Lands Private Limited
Mr. Yogesh M. Agrawal Qualifications: Associate in Science Degree Business Administration Occupation: Business DIN: 00073673 Age: 49 Years	Managing Director	April 01, 2018	1. Gabs Investment Private Limited
Mr. Rajesh M. Agrawal Qualifications: Master of Business Administration Occupation: Business DIN: 00302467 Age: 45 Years	Joint Managing Director	May 01, 2018	1. SBFC Finance Private Limited 2. Gabs Investments Private Limited
Dr. Anjana Grewal Qualifications: Doctor of Philosophy(Arts), Bachelor of Chemical Engineering, Master of Management Studies, Certification in Financial Engineer Occupation: Professional DIN: 06896404 Age: 68 Years	Independent Director	July 18, 2019	1. Fino Finance Private Limited 2. Fino Paytech Limited
Mr. Prabhakar R. Dalal Qualifications: Master of Commerce, Post Graduate Diploma Course in Securities Law, Bachelor of Laws (General), Post Graduate Diploma in Forex and Risk Management, Certificate of Fellowship from Indian Institute of Banking & Finance Occupation: Professional DIN: 00544948 Age: 68 Years	Independent Director	July 18, 2019	1. Poonawalla Fincorp Limited 2. Poonawalla Housing Finance Limited 3. Poonawalla Finance Private Limited
Mr. Viswanathan H. Kalpati Qualifications: Bachelor of Science Occupation: Professional DIN: 06563472 Age: 75 Years	Independent Director	July 18, 2019	Nil
Mr. Chandrakant M. Khetan Qualifications: B.Sc., B.E. (Electrical) Occupation: Business DIN: 00234118 Age: 75 Years	Independent Director	July 18, 2019	1. Entremonde Polycoaters Limited 2. DGP Securities Limited 3. Baroda Superstore Private Limited

14.5. Change in Board of Directors:

The details of changes in the Board of Directors during the last 3 years preceding the date of Public Announcement i.e., December 30, 2021 are as under:

Name of the Director	Designation	Effective Date	Reasons
Dr. Anil Bhubneshwar Kumar	Independent Director	April 03, 2019	Resignation

- 14.6. The Buy-back will not result in any benefit to any Directors, Promoters, Promoter Group, Directors of Promoter Group Companies of the Company and PACs except to the extent of the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of Equity Shares which will lead to reduction in the equity share capital of the Company, post Buy-back.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

- 15.1. The salient features of the financial information of the Company as extracted from the audited financial statements for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and limited review unaudited financial results for six months period ended September 30, 2021 prepared under Ind AS is as follows:

On a standalone basis

(₹ in Crores)

Particulars	For 6 months period ended September 30, 2021	For the Financial Year ended March 31,		
		2021	2020	2019
Total Income	1,649.84	2,822.16	2,380.62	1,874.77
Total Expenses (excluding Finance Costs and Depreciation)	1,100.56	1801.68	1,663.64	1,291.41
Finance Cost	1.24	6.90	9.10	0.41
Depreciation & Amortisation	60.16	111.49	91.29	69.90
Exceptional Items	-	-	(3.92)	-
Profit Before Tax	487.88	902.09	612.67	513.05
Tax Expense	97.57	226.45	171.54	121.29
Profit After Tax	390.31	675.64	441.13	391.76
Other Comprehensive Income	(0.64)	(1.33)	(2.55)	(1.28)
Total Comprehensive Income for the Period / Year	389.67	674.31	438.58	390.48
Equity Share Capital	17.39	17.39	17.54	17.54
Reserves & Surplus*	3,257.39	2,867.59	2,443.76	2,124.54
Net worth	3,274.78	2,884.98	2,461.30	2,142.08
Total debt (excluding working capital loans)	-	-	-	-

*For the above purpose, "Net Worth" means the aggregate value of the paid-up share capital and all reserves excluding revaluation reserve and miscellaneous expenditure not written off.

On a consolidated basis

(₹ in Crores)

Particulars	For 6 months period ended September 30, 2021	For the Financial Year ended March 31,		
		2021	2020	2019
Total Income	1,694.96	2,915.67	2,680.06	2,076.45
Total Expenses (excluding Finance Costs and Depreciation)	1,149.76	1,891.13	1,904.54	1,488.94
Finance Cost	1.91	8.27	11.91	1.16

Particulars	For 6 months period ended September 30, 2021	For the Financial Year ended March 31,		
		2021	2020	2019
Depreciation & Amortisation	62.42	116.09	95.72	72.08
Exceptional Items	-	-	3.92	-
Profit Before Tax	480.87	900.18	663.97	514.27
Tax Expense	111.18	246.31	196.27	127.30
Profit After Tax	369.69	653.87	467.70	386.97
Other Comprehensive Income	(6.58)	(6.45)	5.56	(3.23)
Total Comprehensive Income for the Period / Year	363.11	647.42	473.26	383.74
Equity Share Capital	17.39	17.39	17.54	17.54
Reserves & Surplus*	3,341.51	2,978.24	2,581.33	2,227.67
Net worth	3,358.90	2,995.63	2,598.87	2,245.21
Total debt (excluding working capital loans)	1.11	1.69	2.83	2.62

*For the above purpose, "Net Worth" means the aggregate value of the paid-up share capital and all reserves excluding revaluation reserve and miscellaneous expenditure not written off.

- 15.2. The financial ratios of the Company as extracted from the audited financial statements financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and from limited review unaudited financial results for six months period ended September 30, 2021 prepared under Ind AS are set out below:

On a standalone basis

Particulars	For 6 months period ended September 30, 2021*	For the Financial Year ended March 31,		
		2021	2020	2019
Earnings per Share - Basic (₹)	45.11	77.59	50.55	44.51
Earnings per Share – Diluted (₹)	45.10	77.59	50.55	44.51
Book Value Per Share (₹)	378.43	333.40	282.06	245.50
Return on Net worth (%)	11.92	23.42	17.92	18.29
Debt-Equity Ratio	-	-	-	-
Total Debt / Net Worth	-	-	-	-

* not annualised

On a consolidated basis

Particulars	For 6 months period ended September 30, 2021*	For the Financial Year ended March 31,		
		2021	2020	2019
Earnings per Share - Basic (₹)	42.72	75.09	53.60	43.97
Earnings per Share – Diluted (₹)	42.72	75.09	53.60	43.96
Book Value Per Share (₹)	388.15	346.19	297.83	257.32
Return on Net worth (%)	11.01	21.83	18.00	17.24
Debt-Equity Ratio	-	-	-	-
Total Debt / Net Worth	-	-	-	-

* not annualised

Note: The formulae used for computation of the above ratios are as follows:

Earnings per Share	Profit After Tax / weightage average number of Equity Shares outstanding during the year/period
Book value per Share	Net Worth/ Number of Equity Shares outstanding at the end of the year/period.
Return on Net Worth	Profit After Tax / Net Worth at the end of relevant period.
Debt-Equity Ratio	Total Debt (excluding working capital loans) / Net Worth.

Total Debt / Net Worth	Total Debt (excluding working capital loans) / Net Worth.
<i>“Net Worth” means the aggregate value of the paid-up share capital and all reserves excluding revaluation reserves and miscellaneous expenditure not written off.</i>	

- 15.3. The Company and the Promoters and Promoter Group shall comply with the SEBI SAST Regulations, if applicable. The Company hereby declares that it has complied / will comply with sections 68, 69 and 70 of the Act and the rules made thereunder to the extent applicable.

16. STOCK MARKET DATA

- 16.1. The Equity Shares are currently listed and traded on BSE and NSE.
- 16.2. The high, low, average market prices and total volume of Equity Shares traded in the last three financial years (April to March) and the monthly high, low, average market prices and total volume of Equity Shares traded for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on BSE and NSE are as follows:

NSE (Scrip Symbol: AJANTPHARM)

Period	HIGH			LOW			Average Price (₹)	Total Volume Traded in the period (No. of shares)
	High Price (₹)	Date of High Price	No. of shares traded on that date	Low Price (₹)	Date of Low Price	No. of shares traded on that date		
PRECEDING 3 FINANCIAL YEARS								
2020-21	1,884.55	March 30, 2021	1,13,308	1,235.20	April 09, 2020	2,20,040	1,586.65	4,26,19,413
2019-20	1,545.00	March 05, 2020	5,37,796	825.00	July 31, 2019	1,27,621	1,054.46	5,08,77,527
2018-19	1,420.00	April 03, 2018	1,72,876	895.85	June 05, 2018	3,52,972	1,101.60	10,09,70,944
PRECEDING 6 MONTHS								
November, 2021	2,239.10	November 02, 2021	51,314	2,000.00	November 23, 2021	87,739	2,137.44	11,96,889
October, 2021	2,365.80	October 11, 2021	1,08,163	2,053.65	October 22, 2021	56,410	2,213.37	12,23,638
September, 2021	2,330.00	September 30, 2021	1,14,162	2,110.00	September 09, 2021	79,689	2,201.05	13,54,722
August, 2021	2,348.50	August 17, 2021	95,751	2,191.45	August 24, 2021	39,229	2,259.44	15,87,767
July, 2021	2,435.00	July 29, 2021	2,16,524	2,073.00	July 01, 2021	1,48,717	2,184.95	19,60,225
June, 2021	2,175.00	June 30, 2021	3,18,088	1,900.30	June 07, 2021	50,372	1,973.99	22,42,511

Source: www.nseindia.com

Note: High and Low price for the period are based on intraday prices and Average Price is based on average of closing price.

BSE (Scrip Code: 532331)

Period	HIGH			LOW			Average Price (₹)	Total Volume Traded in the period (No. of shares)
	High Price (₹)	Date of High Price	No. of shares traded on that date	Low Price (₹)	Date of Low Price	No. of shares traded on that date		
PRECEDING 3 FINANCIAL YEARS								
2020-21	1,883.00	March 30, 2021	7,720	1,258.00	April 03, 2020	2,903	1,586.23	20,81,842
2019-20	1,543.70	March 05, 2020	27,261	840.00	July 31, 2019	5,119	1,053.76	29,15,656
2018-19	1,421.85	April 03, 2018	6,763	897.60	June 05, 2018	14,201	1,101.46	81,68,662
PRECEDING 6 MONTHS								

November, 2021	2,239.10	November 02, 2021	1,505	2,015.80	November 24, 2021	2,135	2,136.74	41,738
October, 2021	2,366.30	October 11, 2021	8,025	2,053.65	October 22, 2021	5,977	2,213.24	92,530
September, 2021	2,340.00	September 30, 2021	8,351	2,112.70	September 13, 2021	2,770	2,199.31	79,695
August, 2021	2,348.45	August 17, 2021	8,805	2,182.60	August 25, 2021	3,721	2,258.69	1,05,546
July, 2021	2,420.00	July 29, 2021	12,603	2,072.00	July 01, 2021	8,295	2,184.07	1,50,396
June, 2021	2,175.40	June 30, 2021	17,348	1,905.01	June 21, 2021	6,894	1,974.28	1,67,259

Source: www.bseindia.com

Note: High and Low prices for the period are based on intraday prices and Average Price is based on average of closing price.

- 16.3. Intimation of the Board Meeting convened to consider the proposal of the Buy-back was given to BSE and NSE on December 23, 2021. The Board, at its meeting held on December 28, 2021, approved the proposal for the Buy-back. The closing market prices of the Equity Shares on BSE and NSE during this period, are summarized below:

Event	Date	BSE (₹)	NSE (₹)
Notice of the Board Meeting convened to consider the proposal of the Buyback	December 23, 2021	2,058.35	2,057.70
1 (One) trading day post notice of the Board Meeting	December 24, 2021	2,122.45	2,122.70
1 (One) trading day prior to the Board Meeting	December 27, 2021	2,180.30	2,178.55
Date of the Board Meeting	December 28, 2021	2,263.90	2,264.65
1 (One) trading day post the Board Meeting	December 29, 2021	2,268.35	2,264.70

Source: www.bseindia.com and www.nseindia.com

17. DETAILS OF THE STATUTORY APPROVALS

- 17.1. The Buy-back has been approved by the Board of Directors in its meeting held on December 28, 2021.
- 17.2. The Buy-back is subject to approvals, if any, required under the provisions of the Act, the Buy-back Regulations, SEBI and applicable rules and regulations as specified by RBI under FEMA and / or such other applicable rules and regulations for the time being in force.
- 17.3. Non-Resident Shareholders (excluding Overseas Corporate Bodies (“OCB”)) permitted under the automatic process prescribed under applicable FEMA and the rules and regulations framed thereunder read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from RBI, subject to the adherence to pricing guidelines, documentation and reporting requirements for such transfers as specified by RBI.
- 17.4. By agreeing to participate in the Buyback, the non-resident Eligible Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- 17.5. Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- 17.6. As on date, there are no other statutory or regulatory approvals required to implement the Buy-back, other than that indicated above. If any statutory or regulatory approvals become applicable subsequently, the Buy-back will be subject to such statutory or regulatory approvals. In the event that the receipt of any statutory / regulatory approvals are delayed, changes to the proposed timetable of the Buy-back, if any, shall be intimated to Stock Exchanges.

18. DETAILS OF THE REGISTRAR TO THE BUY-BACK AND COLLECTION CENTRE

18.1. REGISTRAR TO THE BUY-BACK

Link Intime India Private Limited

Address: C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 22 4918 6200 **Fax:** + 91 22 4918 6195

Email: ajantapharma.buyback2022@linkintime.co.in;

Website: www.linkintime.co.in;

Contact Person: Mr. Sumeet Deshpande;

SEBI Registration Number: INR000004058 **Validity:** Permanent

CIN: U67190MH1999PTC118368

18.2. COLLECTION CENTRE

Eligible Shareholders are requested to submit their Tender Form(s), TRS, physical share certificates (for physical Shareholders only) and other requisite documents as mentioned in paragraph 20 (**Procedure For Tendering Equity Shares And Settlement**) on page 33 either by registered post / courier to the Registrar to the Buy-back, super scribing the envelope as “**Ajanta Pharma Limited Buy-back 2022**”, or hand deliver the same to the Registrar to the Buy-back at the address abovementioned so that the same are received on or before the closing date not later than [●] by 5 P.M.

THE TENDER FORM AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUY-BACK.

PLEASE NOTE THAT IT IS NOT MANDATORY FOR ELIGIBLE SHAREHOLDERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM TO SUBMIT THE TENDER FORM AND THE TRS. AFTER THE CONFIRMATION OF LIEN MARKED IN DEMAT ACCOUNT OF THE ELIGIBLE SHAREHOLDERS TO THE CLEARING CORPORATION AND A VALID BID IN THE EXCHANGE BIDDING SYSTEM, THE BID FOR BUY-BACK SHALL BE DEEMED TO HAVE BEEN ACCEPTED FOR ELIGIBLE SHAREHOLDERS HOLDING THE EQUITY SHARES IN DEMATERIALIZED FORM.

19. PROCESS AND METHODOLOGY FOR THE BUY-BACK

- 19.1. The Company proposes to buy-back up to 11,20,000 fully paid-up Equity Shares (representing up to 1.29% of total number of Equity Shares of the Company) from the Equity Shareholders as on the Record Date, on a proportionate basis, through the Tender Offer process at a price of ₹2,550/- per Equity Share, payable in cash for an aggregate maximum amount of up to ₹285.60 crores (Rupees Two Hundred Eighty Five Crores and Sixty Lakhs only). The Buy-back is in accordance with the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Act and in accordance with Article 18 of the Articles of Association of the Company and subject to regulation 4(iv)(a) and other applicable provisions contained in the Buy-back Regulations and such other approvals, permissions and exemptions as may be required, from time to time from statutory authorities and / or regulatory authorities, including but not limited to approvals from SEBI, Stock Exchanges and the RBI, if any. The Buy-back Size represents less than 10% of the paid-up Equity Share Capital and free reserves of the Company based on audited financial statements as on March 31, 2021. The maximum number of Equity Shares proposed to be bought back is 11,20,000 Equity Shares of face value ₹2/- each, being 1.29% of total number of Equity Shares of the Company.
- 19.2. The aggregate shareholding of the Promoters, Promoter Group and PACs as on the date of board meeting held to consider the Buy-back and as on the date of this Draft Letter of Offer is 6,08,69,823 Equity Shares which represents 70.34% of the total number of Equity Shares of the Company. In terms of the Buy-back Regulations, under the Tender Offer process, the Promoters, Promoter Group and PACs of the Company have an option to participate in the Buy-back. The Promoters, Promoter Group and PACs of the Company have conveyed their intention to participate in the Buy-back up to 1,17,10,328 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buy-back Regulations.
- 19.3. Assuming response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement, the aggregate shareholding of the Promoters, Promoter Group and PACs post the Buy-back may change to [●]% from 70.34%. However, such change will not take voting rights of the Promoters and Promoter Group in the Company in excess of maximum permissible non-public shareholding. The exact change in shareholding of Promoters and Promoter Group will depend upon the response to the Buy-back and acceptances.

19.4. Record Date and Ratio of Buy-back as per the Buy-back Entitlement in each Category:

- a) The Company has fixed Friday, January 14, 2022 as the Record Date for the purpose of determining the Buy-back Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buy-back.
- b) The Equity Shares to be bought back as a part of this Buy-back are divided into two categories:
- (a) Reserved category for Small Shareholders (“**Reserved Category**”); and
- (b) General category for other Eligible Shareholders (“**General Category**”).
- c) As defined in Regulation 2(1)(n) of the Buy-back Regulations, Small Shareholder is a shareholder, who holds Equity Shares of the Company, as on the Record Date, whose market value, on the basis of closing price on the recognized Stock Exchange registering the highest trading volume is not more than ₹2,00,000 (Rupees Two Lakhs Only). For the purpose of classification of a shareholder, as a “small shareholder”, multiple demat accounts having the same permanent account number (“**PAN**”), in case of securities held in the demat form are to be clubbed together.
- d) As on the Record Date, the closing price on BSE or NSE having the highest trading volume, was ₹[●]. Accordingly, all Equity Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as “Small Shareholders” for the purpose of the Buy-back.
- e) Based on the above definition, there are [●] Small Shareholders in the Company with aggregate shareholding of [●] Equity Shares as on the Record Date, which constitutes [●]% of the outstanding number of Equity Shares of the Company and [●]% of the maximum number of Equity Shares which the Company proposes to buy-back as a part of this Buy-back.
- f) In compliance with Regulation 6 of the Buy-back Regulations, the reservation for the Small Shareholders, will be higher of:
- (a) 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back i.e., 15% of [●] Equity Shares which works out to [●] Equity Shares; or
- (b) The number of Equity Shares entitled as per their shareholding as on Record Date i.e., $([●]/[●]) \times [●]$, which works out to be [●] Equity Shares.
- (1) All the outstanding fully paid-up Equity Shares have been used for computing the Buy-back Entitlement of Small Shareholders.
- (2) Based on the above and in accordance with Regulation 6 of the Buy-back Regulations, [●] [(Rounded off)] fully paid-up Equity Shares have been reserved for Small Shareholders.
- Accordingly, General Category for all other Eligible Shareholders shall consist of [●] Equity Shares.
- g) Based on the above Buy-back Entitlement, the Ratio of Buy-back for both categories is decided as below:

Category of Shareholders	Ratio of Buy-back*
Reserved category for Small Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date.
General category for all other Eligible Shareholders	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date.

**The above Ratio of Buy-back is approximate and providing indicative Buy-back Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buy-back may provide a slightly different number due to rounding-off. The actual Buy-back Entitlement for Reserved category for Small Shareholders is [●] and General category for all other Eligible Shareholders is [●].*

19.5. Fractional Entitlements:

If the Buy-back Entitlement under the Buy-back, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e., not in the multiple of 1 Equity Share), then the

fractional entitlement shall be ignored for computation of Buy-back Entitlement to tender Equity Shares in the Buy-back for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buy-back and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares.

19.6. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:

Subject to the provisions contained in this Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-back by the Small Shareholders in the Reserved Category in the following order of priority:

- (i) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buy-back Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the Acceptance as described in paragraph 19.6(i) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buy-back, shall be given preference and 1 (one) Equity Share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- (iii) Post the Acceptance as described in paragraph 19.6(i) and 19.6(ii) above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buy-back Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholder shall be made in accordance with the Buy-back Regulations, i.e., valid acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6(ii) above, shall be reduced by 1 (one).
- (iv) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.6 (iii) above:
 - (a) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board of Directors will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in Clause 19 of this Draft Letter of Offer.

19.7. Basis of Acceptance of Shares validly tendered in the General Category:

Subject to the provisions contained in the Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-back by all Eligible Shareholders in the General Category in the following order of priority:

- (i) Acceptance of 100% Equity Shares from Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buy-back Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the Acceptance as described in paragraph 19.7(i) above, in case there are any Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the Eligible Shareholders over and above their Buy-back Entitlement shall be accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per Shareholder shall be made in accordance with the Buy-back Regulations, i.e., valid acceptances per Shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Shareholder divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be accepted in General Category.
- (iii) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.7(i) and (ii) above:
 - (a) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board of Directors will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in Clause 19 of this Draft Letter of Offer.

19.8. **Basis of Acceptance of Equity Shares between Categories**

- (i) In case there are any Equity Shares left to be bought back in one category (“**Partially filled Category**”) after acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the other category, then the Additional Equity Shares in the other category shall be accepted proportionately, i.e., valid acceptances per Eligible Shareholder shall be equal to the Additional outstanding Equity Shares validly tendered by an Eligible Shareholder in the other category divided by the total additional outstanding Equity Shares validly tendered in the other category and multiplied by the total pending number of Equity Shares to be bought back in the Partially filled Category.
- (ii) If the Partially filled Category is the General Category, and the other category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6(ii) shall be reduced by 1 (one).
- (iii) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.8 (i) and (ii) above:
 - (a) For any Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Board of Directors will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in Clause 19 of this Draft Letter of Offer.

19.9. For avoidance of doubt, it is clarified that:

- (i) The Equity Shares accepted under the Buy-back from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- (ii) The Equity Shares accepted under the Buy-back from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date; and
- (iii) The Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.

19.10. Clubbing of Entitlement

- a) In accordance with Regulation 9(ix) of Buy-back Regulations, in order to ensure that the same Eligible Shareholders with multiple demat accounts / folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General Category) and the Buy-back Entitlement. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of Eligible Shareholders holding Equity Shares in physical form as on Record Date, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Company will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical.
- b) The shareholding of institutional investors like mutual funds, pension funds / trusts, insurance companies etc., with common PAN will not be clubbed together for determining the category and will be considered separately, where these Equity Shares are held for different schemes and have a different demat account nomenclature based on information prepared by the Registrar to the Buy-back as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of 'clearing members' or 'corporate body margin account' or 'corporate body-broker' as per the beneficial position data as on the Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.

20. PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT

- 20.1. The Buy-back is open to all Eligible Shareholders / beneficial owners holding Equity Shares of the Company as on the Record date, i.e., Friday, January 14, 2022 in physical form ("**Physical Shares**") and the beneficial owners who on the Record Date were holding Equity Shares in the dematerialized form ("**Demat Shares**").
- 20.2. The Company proposes to Buy-back Equity Shares through a Tender Offer method, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buy-back as well as the detailed disclosures as specified in the Buy-back Regulations, will be dispatched/emailed to the Eligible Shareholders. The Letter of Offer shall be sent through electronic means to Eligible Shareholder(s) who have registered their email ids with the depositories / the Company, and for those Eligible Shareholder(s) who have not registered their email ids with the depositories / the Company, the Letter of Offer shall be dispatched in physical form by registered post / speed post / courier. Further, on receipt of request from any Eligible Shareholder to receive a copy of Letter of Offer in physical form, the same shall be provided. Even if Eligible Shareholder does not receive the Letter of Offer along with a Tender / Offer Form, the Eligible Shareholder may participate and tender shares in the Buy-back. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure mentioned in paragraph 20.23.
- 20.3. The Company will not accept any Equity Shares offered for Buy-back which are under any restraint order of a court or other competent authority for transfer / sale of such Equity Shares.
- 20.4. The Company shall comply with Regulation 24(v) of the Buy-back Regulations which states that the Company shall not buy-back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.

- 20.5. Eligible Shareholders' participation in Buy-back will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Equity Shares accepted under the Buy-back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-back, without additional investment. Shareholders may also tender a part of their Buy-back Entitlement. Shareholders also have an option of tendering Additional Shares (over and above their Buy-back Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buy-back Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 (Process and Methodology for the Buy-back) of this Draft Letter of Offer.
- 20.6. Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account.
- 20.7. The Company shall accept all the Equity Shares validly tendered for the Buy-back by Eligible Shareholders, on the basis of their Buy-back Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Shareholders will be accepted as per paragraphs 19.6, 19.7, 19.8 and 19.9.
- 20.8. As elaborated under paragraph 19.4, the Equity Shares proposed to be bought as a part of the Buy-back are divided into two categories; (a) Reserved category for Small Shareholders and (b) the General category for other Eligible Shareholders, and the Buy-back Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.9. After accepting the Equity Shares tendered on the basis of Buy-back Entitlement, Equity Shares left to be bought as a part of the Buy-back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buy-back Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buy-back Entitlement, in other category.
- 20.10. The Buy-back Offer will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" devised pursuant to SEBI Circulars and following the procedure prescribed in the Act and the Buy-back Regulations and as may be determined by the Board (including any person authorized by the Board to complete the formalities of the Buy-back Offer) and on such terms and conditions as may be permitted by law from time to time.
- 20.11. The maximum tender under the Buy-back by any Eligible Shareholder cannot exceed the number of shares held by the Eligible Shareholder on the Record Date.
- 20.12. For implementation of the Buy-back, the Company has appointed **Pravin Ratilal Share and Stock Brokers Limited** as the registered broker to the Company (the "**Company's Broker**") who will facilitate the process of tendering Equity Shares through Stock Exchange Mechanism for the Buy-back and through whom the purchase and settlements on account of the Buy-back would be made by the Company. The contact details of the Company's Broker are as follows:
- Name: Pravin Ratilal Share and Stock Brokers Limited**
Address: SAKAR-1, 5th Floor, Opp. Gandhigram Railway Station, Navarangpura, Ahmedabad – 380009, Gujarat, India
Contact Person: Ms. Drasti Desai
Tel.: 079 – 66302793, 26553793
Email: info@prssb.com
Website: www.prssb.com
SEBI Registration Number: INZ000206732
Corporate Identity Number: U67120GJ1994PLC022117
- 20.13. For the purpose of this Buy-back, National Stock Exchange of India Limited ("**NSE**") will be the Designated Stock Exchange. The Company will request NSE to provide the facility of acquisition window to facilitate placing of sell orders by Eligible Shareholders who wish to tender their Equity Shares in the Buy-back Offer. The details of the platform will be as specified by NSE from time to time.
- 20.14. In case Eligible Shareholder's broker is not registered with NSE or if the Eligible Shareholders do not have any stock broker then that Eligible Shareholders can approach any stock broker registered with the NSE and

can make a bid by using quick unique client code (“UCC”) facility, after submitting the details as may be required by the stock broker to be in compliance with the Buy-back Regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other NSE registered stock broker, then the Eligible Shareholders may approach Company's Broker viz. **Pravin Ratilal Share and Stock Brokers Limited** to bid by using quick UCC facility. The Eligible Shareholders approaching NSE registered stock broker (with whom Eligible Shareholders does not have an account) may have to submit details as required by the NSE registered stock broker. The requirement of documents and procedures may vary from broker to broker.

- 20.15. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective stock brokers (“**Seller Member**”) during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders. The Seller Member can enter orders for shares held in demat as well as physical mode.
- 20.16. Modification / cancellation of orders and multiple bids from a single Eligible Shareholders will be allowed during the Tendering Period of the Buy-back. Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as “one” bid for the purposes of Acceptance. The reporting requirements for Non-Resident Shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholder and/or the Seller Member through which the Equity Shareholder places the bid.
- 20.17. The cumulative quantity tendered shall be made available on NSE’s website, www.nseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.18. All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.19. **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form.**
 - (i) Eligible Shareholders who desire to tender their Equity Shares in the dematerialised form under Buy-back would have to do so through their respective Seller Member by giving details of Equity Shares they intend to tender under the Buy-back offer.
 - (ii) The Seller Member would be required to place a bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buy-back using the Acquisition Window of the Stock Exchange.
 - (iii) The lien shall be marked in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buy-back. The details of Equity Shares marked as lien in the demat account of the Eligible Shareholders shall be provided by Depositories to the Clearing Corporation.
 - (iv) In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buy-back shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Offer (“**IDT**”) instruction shall be initiated by shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the shareholder’s securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of shares blocked in the shareholders demat account shall be provided by the target Depository to the Clearing Corporation.
 - (v) For Custodian Participant orders for Equity Shares in demat form, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to custodian again for confirmation.
 - (vi) Upon placing the order, the Seller Member shall provide a transaction registration slip (‘**TRS**’) generated by the exchange bidding system to the Eligible Shareholder on whose behalf the order has been placed. TRS will contain details of order submitted like Bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.

- (vii) It is clarified that in case of dematerialized Equity Shares, non-receipt of the completed tender form and other documents, but if the lien is marked successfully in the depository system and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.
- (viii) The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-back decided by the Company.

20.20. Procedure to be followed by Eligible Shareholders holding Equity Shares in the physical form

- i. All Eligible Shareholders holding the Equity Shares in physical form shall note that in accordance with the proviso to regulation 40(1) of the Listing Regulations (notified by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018), read with SEBI's press release dated December 3, 2018, transfers of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from April 1, 2019. However, in accordance with the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, the Eligible Shareholders holding Equity Shares in the physical form are allowed to tender their Equity Shares in the Buy Back provided that such tendering shall be as per the provisions of the Buy-back Regulations and terms provided in the letter of offer.
- ii. Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buy Back will be required to approach their respective Seller Members along with the complete set of documents for verification procedures to be carried out including the (i) original share certificate(s) (ii) valid share transfer form(s) (i.e., form SH-4) duly filled and signed by the transferors (i.e., by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company (iii) self-attested copy of the Eligible Shareholder's PAN Card (iv) the Tender Form duly signed (in case the Equity Shares are in joint names, the Tender Form must be signed by all Eligible Shareholders in the same order in which they hold the Equity Shares) and (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable. In addition, if the address of an Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, such Eligible 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.
- iii. Based on the documents mentioned in paragraph above, the concerned Seller Member shall place the bid on behalf of the Eligible Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Buy-back using the Acquisition Window. Upon placing the bid, the Seller Member shall provide a TRS generated by the Stock Exchange's bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- iv. After placing the bid, the Seller Member of the Eligible Shareholder has to deliver the original share certificate(s) and documents (as mentioned in paragraph 20.20.ii above along with TRS either by registered post or courier or hand delivery to Registrar to the Buy-back (at the address mentioned at paragraph 27 below) on or before the closing date. The envelope should be superscribed as "**Ajanta Pharma Limited – Buy-back 2022**". One copy of the TRS will be retained by Registrar to the Buy-back and it will provide acknowledgement of the same to the Seller Member/ Eligible Shareholder.
- v. Eligible Shareholder holding Equity Shares in physical form should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for the Buy-back shall be subject to verification as per the Buy-back Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time NSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, it will be treated as 'confirmed bids'.
- vi. All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the

following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Tender Form instead of the Equity Share certificate(s) of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar to the Buy-back does not receive the Equity Share certificate(s); (iv) In case the signature on the Tender Form and form SH-4 does not match as per the specimen signature recorded with Company/ Registrar to the Buy-back.

- vii. In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-back before the date of closing of the Buy-back.
- viii. An unregistered shareholder holding Equity Shares in physical form may also tender their Equity Shares in the Buy-back by submitting duly executed transfer deed for transfer of Equity Shares purchased prior to Record Date in his/her name along with the tender form, copy of his / her PAN and of the person from whom they have purchased the Equity Shares and other relevant documents as may be required for transfer of Equity Shares.
- ix. Modification/ cancellation of orders will be allowed during the tendering period of the Buy-back. Multiple bids made by a single Eligible Shareholder shall be clubbed and considered as "one" bid for the purpose of acceptance.
- x. The website of the NSE shall display only confirmed bids and accordingly, the cumulative quantity tendered shall be made available on the website of the NSE (i.e., www.nseindia.com) throughout the trading sessions and will be updated at specific intervals during the tendering period.

20.21. Method of Settlement

- (a) Upon finalization of the basis of Acceptance as per the Buy-back 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.
- (b) Details in respect of shareholder's entitlement for the Buy-back shall be provided to Clearing Corporation by Company / Registrar to Buy-back. 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 bid will be transferred to the Clearing Corporation.
- (c) 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 Bid accepted detail as received from the Company or the Registrar to the Buy-back. 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 shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the Equity Shares as per the communication/message received from target depository to the extent of accepted bid Equity Shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- (d) The Company will transfer the consideration pertaining to the Buy-back to the Clearing Corporation's bank account through the Company's Broker as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under the Buy-back, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholders. If bank account details of any Eligible 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 relevant Bank, due to any reasons, then the amount payable to the Eligible Shareholders will be transferred to the concerned Seller Member for onward transfer to such Eligible Shareholder holding Equity Shares in dematerialized form.
- (e) 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 Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.

- (f) For the Eligible 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 Shareholder's account. On settlement date, all blocked Equity Shares mentioned in accepted bid shall be transferred to Clearing Corporation.
- (g) The Equity Shares bought back in the dematerialized form would be transferred directly to the escrow demat account of the Company ("**Company Demat Escrow Account**") provided it is indicated by the Company's Brokers or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
- (h) Excess Equity Shares or unaccepted Equity Shares, in dematerialised form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible 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 Shareholder. The 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 the Buy-back Offer.
- (i) Any excess Equity Shares, in physical form, pursuant to proportionate acceptance / rejection will be returned back to the Eligible Shareholders directly by the Registrar. The 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 by the Company are less than the Equity Shares tendered in the Buy-back by Eligible Shareholders holding Equity Shares in the physical form.
- (j) The Seller Member would issue contract note for the Equity Shares accepted under the Buy-back and will unblock the excess unaccepted Equity Shares. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buy-back.
- (k) Equity Shareholders who intend to participate in the Buy-back 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 the Buy-back (secondary market transaction). Therefore, the Buy-back consideration received by the selling Eligible Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage). The Manager to the Buy-back Offer and the Company 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 Shareholders.
- (l) The Equity Shares lying to the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buy-back Regulations.

ELIGIBLE SHAREHOLDERS WHO HAVE DEMATERIALIZED THEIR PHYSICAL EQUITY SHARES POST RECORD DATE AND TENDERED THEIR DEMAT EQUITY SHARES IN THE BUY-BACK MAY DELIVER THE TENDER FORM DULY SIGNED (BY ALL ELIGIBLE SHAREHOLDERS IN CASE SHARES ARE IN JOINT NAMES) IN THE SAME ORDER IN WHICH THEY HOLD THE EQUITY SHARES, ALONG WITH TRS GENERATED BY THE STOCK EXCHANGE BIDDING SYSTEM UPON PLACING OF A BID, EITHER BY REGISTERED POST, SPEED POST OR COURIER OR HAND DELIVERY TO THE REGISTRAR TO THE BUY-BACK AT THE ABOVE ADDRESS, SO THAT THE SAME ARE RECEIVED NOT LATER THAN [•] BY 5:00 P.M. THE ENVELOPE SHOULD BE SUPERSCRIBED AS "AJANTA PHARMA LIMITED – BUY-BACK 2022".

In case any Eligible Shareholder initiates dematerialization of shares after Record Date/receipt of this Letter of Offer, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-back before Buy-back Closing Date.

20.22. For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares:

- (i) Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FPIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (ii) FII/FPI Shareholder should enclose a copy of their SEBI registration certificate.
- (iii) In case the Equity Shares are held on repatriation basis, the Eligible Shareholders who are Non-Resident Shareholders shall obtain and enclose a letter from its authorized dealer / bank / Company confirming that at the time of acquiring the Equity Shares, payment for the same was made by such non-resident Eligible Shareholder from the appropriate account (e.g., NRE a/c.) as specified by RBI in its approval. In case the Eligible Shareholders who are Non-Resident Shareholders is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buy-back. In the event, such consent letter is not submitted by such non-resident Eligible Shareholder, the Company shall have the right to reject the Equity Shares tendered in the Buy-back and acceptance of such Equity Shares shall be at the sole discretion of the Company subject to such conditions as the Company may deem fit including making payment for the same on a non-repatriation basis.
- (iv) If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buy-back are liable to be rejected.

20.23. In case of non-receipt of the Letter of Offer:

In case the Equity Shares are in dematerialised form: An Eligible Shareholder may participate in the Buy-back by downloading the Tender Form from the website of the Company i.e., www.ajantapharma.com or the website of the Registrar i.e. www.linkintime.co.in or by providing their application in writing on plain paper to the Registrar, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name), stating name and address of Eligible Shareholders, number of Equity Shares held as on the Record Date, Client ID number, DP Name / ID, beneficiary account number and number of Equity Shares tendered for the Buy-back. If any Eligible Shareholder who has been sent the Letter of Offer through electronic means wishes to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email ID mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number. Upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder.

In case the Equity Shares are in physical form: An Eligible Shareholder may participate in the Buy-back by downloading the Tender Form from the website of the Company i.e., www.ajantapharma.com or the website of the Registrar i.e., www.linkintime.co.in or by providing their application in writing on plain paper to the Registrar, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buy-back and the distinctive numbers thereof, bank account details together with the original share certificate(s), copy of Eligible Shareholders PAN card(s) and executed Form SH-4 in favour of the Company. The transfer Form (SH-4) can be downloaded from the website of the Company i.e., www.ajantapharma.com or the website of the Registrar i.e., www.linkintime.co.in. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.20 above), reach the Registrar on or before the Buy-back Closing Date (by 5:00 p.m.). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar /Company or are not in the same order (although attested), the Company/Registrar shall have a right to reject such applications.

Please note that Eligible Shareholders who intend to participate in the Buy-back will be required to approach their respective Seller Member (along with the complete set of documents for verification

procedures) and have to ensure that their bid is entered by their respective Seller Member in the electronic platform to be made available by NSE before the Buy-back Closing Date.

The Company shall accept Equity Shares validly tendered by the Equity Shareholder(s) in the Buy-back on the basis of their shareholding as on the Record Date and the Buy-back Entitlement. Eligible Shareholder(s) who intend to participate in the Buy-back using the “plain paper” option as mentioned in this paragraph is advised to confirm their Buy-back Entitlement from the Registrar to the Buy-back, before participating in the Buy-back.

20.24. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to, any Eligible Shareholder, shall not invalidate the Buy-back in any way.

20.25. The acceptance of the Buy-back Offer by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or not to participate in the Buy-back.

20.26. Rejection Criteria:

The Equity Shares tendered by Eligible Shareholders holding Demat Shares would be liable to be rejected on the following grounds:

- a) The Shareholder is not an Eligible Shareholder of the Company as on the Record Date;
- b) in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding Physical Shares as on the Record Date and have placed their bid in demat form;
- c) if there is a name mismatch in the demat account of the shareholder and PAN.
- d) where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

The Equity Shares tendered by Eligible Shareholders holding Physical Shares would be liable to be rejected on the following grounds:

- (a) The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours on [●]; or
- (b) If the share certificate is not enclosed with the Tender Form; or
- (c) If there is any other company's share certificate enclosed with the Tender Form instead of the share certificate of the Company; or
- (d) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; or
- (e) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- (f) In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with the Company or the Registrar; or
- (g) The documents mentioned in instruction of the Tender Form for physical Equity Shareholders are not received by the Registrar before the close of business hours on or before [●] by 5:00 p.m.; or
- (h) Where there exists any restraint order of a Court/any other competent authority for transfer/disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists

21. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION IS BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF THE COMPLEXITY AND THE SUBJECTIVITY INVOLVED IN THE TAX CONSEQUENCES OF A BUY BACK TRANSACTION, ELIGIBLE SHAREHOLDERS ARE

REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE TAX TREATMENT IN THEIR HANDS CONSIDERING THE RELEVANT TAX PROVISIONS, FACTS AND CIRCUMSTANCES OF THEIR CASE.

THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND EXPLICITLY DISOWNS ANY LIABILITY ARISING OUT OF ANY ACTION INCLUDING A TAX POSITION TAKEN BY THE ELIGIBLE SHAREHOLDER BY RELYING ON THIS SUMMARY. THE SUMMARY OF TAX CONSIDERATIONS RELATING TO BUY-BACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GENERAL GUIDANCE PURPOSES ONLY.

I. GENERAL

The Indian tax year runs from 1st April to 31st March. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act, 1961 (“ITA”).

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his / her Indian sourced income or income received by such person in India. In case of shares of a company, the source of income from shares would depend on the ‘situs’ of the shares. As per judicial precedents, generally the “situs” of the shares is where company is “incorporated” and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Taxation Avoidance Agreement (“DTAA”) subject to satisfaction of the relevant conditions including non-applicability of General Anti-Avoidance Rule (“GAAR”) and providing and maintaining necessary information and documents as prescribed under the ITA.

The summary tax implications on buy-back of equity shares listed on the stock exchange in India is set out below. All references to equity shares in this note refer to equity shares listed on the stock exchange in India unless stated otherwise.

INCOME TAX PROVISIONS IN RESPECT OF BUY-BACK OF SHARES LISTED ON THE RECOGNISED STOCK EXCHANGE

- a. Section 115QA of the Act provides for the levy of additional Income-tax at the rate of twenty per cent (excluding surcharge and Health and Education cess, as applicable) on any amount of distributed income by the company on buy-back of shares from a shareholder. Distributed Income is defined under section 115QA to include consideration paid by the company on buy-back of shares as reduced by the amount which was received by the company on issue of such shares, determined in the manner specified in Rule 40BB.
- b. The tax on the distributed income by the company shall be treated as the final payment of tax in respect of the said income and no further credit therefor shall be claimed by the company or by any other person in respect of the amount of tax so paid.
- c. No deduction under any other provision of this Act shall be allowed to the company or a shareholder in respect of the income which has been charged to tax
- d. Pursuant to Section 10(34A) of the Income Tax Act, any income arising in the hands of shareholders on account of buy-back of shares by the as referred to in section 115QA has been exempted from tax.
- e. The consequential income will be exempted in the hands of the shareholder irrespective of the class/residential status of the shareholder and purpose for which shares are held (i.e., as “Investments” or “Stock in Trade”) under sub-clause (34A) of Section 10 of ITA. In case of Non-resident Shareholders, the same may be subject to tax in the country of residence of the shareholder as per the provisions of the tax laws of that country. The credit of tax may or may not be allowed to such non-resident shareholder to be claimed in the country of residence in respect of the Buy-back tax paid by the company in view of Sec 115QA (4) and (5) of the ITA. Non- resident shareholders need to consult their tax advisors with regard to availability of such a tax credit.

II. TAX DEDUCTION AT SOURCE

The consequential income arising in the hands of shareholder will be exempted by virtue of sub clause (34A) of Section 10 of the ITA. Therefore, no TDS/WHT will be deductible on the said income.

The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the Buy-back Regulations:

The Board of Directors made declaration as on the date of passing the board resolution approving the Buy-back i.e., December 28, 2021 that:

1. The Board of Directors confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
2. It has, based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act formed an opinion:
 - a) That immediately following the date of the Board Meeting i.e., December 28, 2021, there will be no grounds on which the Company can be found unable to pay its debts;
 - b) That as regards the Company's prospects for the year immediately following the date of the Board Meeting i.e., December 28, 2021, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting.
 - c) In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).
 - d) That the debt-equity ratio of the Company after the Buy-back will be within the limit of 2:1 as prescribed under Section 68(2)(d) of the Companies Act, 2013 and Regulation 4(ii) of the Buy-back Regulations.

This declaration is made and issued under the authority of the Board of Directors in terms of the resolution passed at its meeting held on December 28, 2021.

<i>Sd/-</i> Yogesh Agrawal Managing Director (DIN: 00073673)	<i>Sd/-</i> Rajesh Agrawal Joint Managing Director (DIN: 00302467)
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23. AUDITORS CERTIFICATE

The text of the report dated December 28, 2021 received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company and the Statement of computation of permissible capital payments for the proposed Buy-back of Equity Shares of the Company, addressed to the Board of Directors of the Company is reproduced below.

Quote

To,

The Board of Directors

Ajanta Pharma Limited,

Ajanta House, 98 Govt Industrial Area,

Kandivali (West), Mumbai – 400 067,

Maharashtra, India

28 December 2021

Dear Sir/Madam,

Sub: Independent Auditors' Report in respect of proposed buy-back of equity shares by Ajanta Pharma Limited ("the Company") in terms of clause (xi) of Schedule I of Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended (the "Buy-back Regulations")

1. This report is issued in accordance with the terms of our engagement letter dated 9 July 2018 and addendum to engagement letter dated 13 December 2021 with Ajanta Pharma Limited ("the Company).
2. The Board of Directors of the Company have approved a proposed buy-back of equity shares by the Company at its meeting held on 28 December 2021, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ('the Act') and the Buy-back Regulations. The accompanying Statement of permissible capital payment (including premium) ('**Annexure A**') as at 31 March 2021 (hereinafter referred as the "Statement") is prepared by the management of the Company, which we have initiated for identification purpose only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2) of the Act and in compliance with Section 68, 69 and 70 of the Act and Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditors' Responsibility

4. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance whether:
 - i. we have inquired into the state of affairs of the Company in relation to its latest audited standalone financial statements and audited consolidated financial statements as at and for the year ended 31 March 2021;
 - ii. the amount of permissible capital payment (including premium) as stated in Annexure A for the proposed buy-back of equity shares has been properly determined considering the audited standalone financial statements and audited consolidated financial statements in accordance with Section 68(2) of the Act; and
 - iii. the Board of Directors of the Company in their meeting dated 28 December 2021, have formed the opinion as specified in clause (x) of Schedule I to the Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the date of board meeting held to consider the proposal of Buy-back of Equity Shares.
5. The audited standalone financial statements and audited consolidated financial statements for the financial year ended on 31 March 2021 referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our reports dated 30 April 2021. Our audits of these financial statements were conducted in accordance with

the Standards on Auditing, as specified under Section 143 of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

6. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. We accordingly performed the following procedures:
 - i. Examined that the amount of permissible capital payment (including premium) for the buy-back as detailed in Annexure A is in accordance with the provisions of Section 68(2) of the Act;
 - ii. Inquired into the state of affairs of the Company with reference to the audited standalone financial statements and audited consolidated financial statements as at and for the period ended 31 March 2021;
 - iii. Traced the amounts of paid-up equity share capital, retained earnings and general Reserves as mentioned in Annexure A from the audited standalone financial statements and audited consolidated financial statements as at and for the year ended 31 March 2021;
 - iv. Verified the arithmetical accuracy of the amounts mentioned in Annexure A; and
 - v. We have obtained appropriate representations from the Management of the Company.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Auditors' Responsibility (Continued)

9. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion

10. Based on inquiries conducted and our examination as above, we report that:
 - a) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements and audited consolidated financial statements as at and for the year ended 31 March 2021;
 - b) The amount of permissible capital payment towards the proposed buy-back of equity shares as computed in the Statement attached herewith is, in our view properly determined in accordance with Section 68(2) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements and audited consolidated financial statements of the Company as at and for the year ended 31 March 2021; and
 - c) The Board of Directors of the Company, in their meeting held on 28 December 2021 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of the Board Meeting (i.e. 28 December 2021).
11. Based on the representations made by the management, and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

12. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buy-back of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Act and Buy-back Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, Stock Exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai

28 December 2021

Sd/-
Sreeja Marar
Partner
Membership No: 111410
UDIN: 21111410AAAAEJ3618

Annexure A

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68 (2) of the Companies Act, 2013 and Regulations 4 and 5 of the Buy-back Regulations

		(₹ in Crores)	
	Particulars	Standalone Amount	Consolidated Amount
A	Paid up equity share capital and free reserves as at March 31, 2021, based on the financial statements of the Company		
	Total paid up Equity Share Capital	17.39^	17.39^
	Free Reserves, comprising		
	- Securities Premium Account	-	-
	- General Reserve	745.27	816.83
	- Surplus in the statement of profit and loss (excluding unrealized gain (net) of ₹ 4.09 cr. as standalone financials and ₹ 4.09 cr. as consolidated financials).	2,125.83	2,155.73
	Total Paid up Equity Share Capital and Free Reserves	2,888.49	2,989.95
B	The amount of Maximum Permissible Capital Payment towards the Buyback being lower of;		
	Maximum permissible capital payment towards Buy-back of Equity Shares in accordance with Section 68(2)(c) of the Companies Act, 2013 read with Regulation 4 of the Buy-back Regulations (25% of paid-up equity capital and free reserves)	722.12	747.49
	Maximum permissible Number of Equity Shares eligible for Buy-back in accordance with Section 68(2)(c) of the Companies Act, 2013 read with Regulation 4 of the Buy-back Regulations (25% of total number of outstanding equity shares) (Nos.)		2,16,33,942
	Maximum permissible capital payment towards Buy-back of Equity Shares in accordance with Section 68(2)(b) of the Companies Act, 2013 read with proviso to Regulation 5(i)(b) of the Buy-back Regulations with approval of Board of Directors of the Company	288.84	298.99

(10% of total paid-up equity share capital and Free Reserves as at March 31, 2021)		
Amount approved by the Board of Directors at its meeting held on December 28, 2021.		285.60

^The amount includes ₹ 0.09 crores on account of forfeiture of equity shares.

**For and on behalf of the Board of Directors of
Ajanta Pharma Limited**

Sd/-

Name: Arvind Agrawal

Designation: Chief Financial Officer

Place: Mumbai

Date: 28th December 2021

Unquote

24. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company at 'Ajanta House', 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the offer period:

- (i) Certificate of Incorporation of the Company;
- (ii) Memorandum and Articles of Association of the Company;
- (iii) Annual Reports of the Company for the preceding three financial years, viz. FY 2020-21, FY 2019-20 and FY 2018-19;
- (iv) Limited Review unaudited financial results for six months period ended on September 30, 2021;
- (v) Copy of resolution passed by the Board of Directors at their meeting held on December 28, 2021 approving the proposal of the Buy-back.
- (vi) Certificate dated December 28, 2021 received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, in terms of Schedule II of the Buy-back Regulations.
- (vii) Copy of Public Announcement dated December 29, 2021 published in the newspapers on December 30, 2021 regarding the Buy-back.
- (viii) Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (ix) Certificate dated December 28, 2021 by AIMV & Associates, Chartered Accountants, certifying that the Company has made firm financial arrangements for fulfilling its obligations under the Buy-back, in accordance with the Buy-back Regulations.
- (x) Copy of the Escrow Agreement dated [●] executed amongst the Company, Escrow Bank and the Manager to the Buy-back.
- (xi) Opinion dated December 28, 2021 obtained by the Company on taxation from AIMV & Associates, Chartered Accountant.
- (xii) SEBI observations received on DLoF vide letter dated [●] issued in terms of the Buy-back Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

The Equity Shareholders may contact the Compliance Officer of the Company for any clarifications or to address their grievances, if any, during office hours i.e., 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Mr. Gaurang Shah

Company Secretary & Compliance Officer

Ajanta Pharma Limited

Address: Ajanta House', 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India

Phone: +91 22 6606 1000; **Fax:** +91 22 6606 1200;

Email: investorgrievance@ajantapharma.com;

Website: www.ajantapharma.com

26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

- (i) In case of any grievances relating to the Buy-back (e.g. non-receipt of the Buy-back consideration, demat credit, etc.), the Eligible Shareholders can approach the Compliance Officer at investorgrievance@ajantapharma.com or the Manager to the Buy-back at investors@vivro.net and / or Registrar to the Buy-back at ajantapharma.buyback2022@linkintime.co.in for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68 of the Companies Act, 2013 or any rules made there-under, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, 2013, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term, or with a fine or with both in terms of the Companies Act, 2013, as the case may be.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Maharashtra, Mumbai

Address: 100, Everest Building,
Marine Drive, Mumbai 400 002,
Maharashtra, India

Phone: 022-22812627/22020295/22846954

Email: roc.mumbai@mca.gov.in;

27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any queries, Equity Shareholders may also contact the Registrar to the Buy-back, during office hours i.e., 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Registrar to the Buy-back:



Link Intime India Private Limited

Address: C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 22 4918 6200 | **Fax:** +91 22 4918 6195

Email: ajantapharma.buyback2022@linkintime.co.in

Investor Grievance ID: ajantapharma.buyback2022@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande;

SEBI Registration Number: INR000004058 | **Validity:** Permanent

CIN: U67190MH1999PTC118368

28. MANAGER TO THE BUY-BACK



Vivro Financial Services Private Limited

Address: 607/608 Marathon Icon, Opp. Peninsula Corporate Park,
Veer Santaji Lane, Off. Ganpatrao Kadam Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India

Tel.: +91 22 6666 8040

E-mail: investors@vivro.net

Website: www.vivro.net

Contact Person(s): Mr. Anshul Nenawati / Mr. Jay Shah

SEBI Registration Number: INM000010122

Validity: Permanent

CIN: U67120GJ1996PTC029182

29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE DRAFT LETTER OF OFFER

As per regulation 24(i)(a) of the Buy-back Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Draft Letter of Offer and confirms that the information in this Draft Letter of Offer contain true, factual and material information and does not contain any misleading information. This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Buyback Committee in their meeting held on January 04, 2022.

For and on behalf of the Board of Directors of Ajanta Pharma Limited

Sd/-
Yogesh Agrawal
Managing Director
(DIN: 00073673)

Sd/-
Rajesh Agrawal
Joint Managing Director
(DIN: 00302467)

Sd/-
Gaurang Shah
Company Secretary &
Compliance Officer
(Membership Number: F6696)

Date: January 04, 2022

Place: Mumbai, Maharashtra

30. OFFER FORM

- 30.1. Tender Form (for Eligible Shareholders holding Equity Shares in dematerialised form);
- 30.2. Tender Form (for Eligible Shareholders holding Equity Shares in Physical form);
- 30.3. Form SH-4 for physical shareholders.

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM)**

Bid Number:
Date:

BUY-BACK OPENS ON:		●	
BUY-BACK CLOSES ON:		●	
For Registrar / collection centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
☐	Individual	☐	FII/FPI
☐	Foreign Co.	☐	NRI/OCB
☐	Body Corporate	☐	Bank / FI
☐	VCF	☐	Partnership/LLP
☐		☐	Insurance Co.
☐		☐	FVCI
☐		☐	Pension / PF
☐		☐	Others (specify)
India Tax Residency Status: Please tick appropriate box			
☐	Resident in India	☐	Non-Resident in India
☐		☐	Resident of _____ (Shareholder to fill the country of residence)

To,
The Board of Directors
AJANTA PHARMA LIMITED,
C/o. Link Intime India Private Limited,
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India.

Dear Sirs,

Subject: Letter of Offer dated [●] in relation to Buy-back Offer of up to 11,20,000 fully paid-up Equity Shares of Ajanta Pharma Limited (“Company”) at a price of ₹ 2,550/- per Equity Share (“Buy-back Price”), payable in cash.

- I / We, having read and understood the Letter of Offer dated [●], hereby tender / offer my / our Equity Shares in response to the Buy-back Offer on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buy-back the Equity Shares offered by me/us (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-back to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this tender / offer are offered for Buy-back by me / us are free from any claim /demand, lien, equitable interest, charges and encumbrance.
- 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 Buy-back and that I / we am / are legally entitled to tender the Equity Shares for Buy-back.
- I / we agree that the Company will pay the Buy-back Price only after due verification of the validity of the documents and that the consideration may be paid to the first named shareholder.
- I / We agree that the consideration for the accepted Equity Shares will be paid as per secondary market mechanism.
- I / We undertake to return to the Company any Buy-back consideration that may be wrongfully received by me / us.
- 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 Company to give effect to the Buy-back in accordance with the Act and the Buy-back Regulations.
- Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date i.e., Friday, January 14, 2022		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Additional Equity Shares offered for Buy-Back		
Total number of Equity Shares offered for Buy-back		

- Applicable for all Non-resident shareholders - I / We undertake to pay income taxes in India on any income arising on such Buy-back Offer and taxable in accordance with the prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-back of shares by me/ us.
- I / We agree that the Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder.

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buy-back Entitlement. Number of Equity Shares validly tendered by Eligible Shareholder over and above his / her Buy-back Entitlement shall be accepted in accordance with paragraph 19.6, 19.7, 19.8, and 19.9 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

-----Tear along this line-----
Acknowledgement Slip: AJANTA PHARMA LIMITED BUY-BACK 2022
(To be filled by the Equity Shareholder) (Subject to verification)

DP Id.:		Client Id.:	
Received from Mr./ Ms./Mrs.			
Form of Acceptance-cum-Acknowledgement, Original TRS along with:			
No. of Equity Shares offered for Buy-back (In figures)		(in words)	
Stamp of Broker/Registrar			

Please quote DP ID and Client ID for all future correspondence

12. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)	☐ NSDL ☐ CDSL
Name of the Depository Participant	
DP ID No.	
Client ID No. with the DP	

13. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1 (if any)	Joint Holder 2 (if any)	Joint Holder 3 (if any)
Full name(s) of the Equity Shareholder				
Signature(s)*				
PAN No.				
Address of the Sole/First Equity Shareholder				
Telephone No. and Email ID				

**Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorization should be enclosed with the application form submitted.*

Instructions:

1. This Buy-back will open on [●] and close on [●].
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. The Equity Shares tendered in the Buy-back Offer shall be rejected if (i) the shareholder is not a shareholder of the Company as on the Record Date (ii) if there is a name and PAN mismatch in the demat account of the Eligible Shareholder or (iii) in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding shares in physical form as on the Record Date and have placed their bid in dematerialized form.
4. The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares tendered by them.
5. Eligible Shareholders to whom the Buy-back Offer is made are free to tender Equity Shares to the extent of their Buy-back Entitlement in whole or in part or in excess of their entitlement.
6. For the procedure to be followed by Eligible Shareholders for tendering their Equity Shares in the Buy-back Offer, please refer to paragraph 20 of the Letter of Offer.
7. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
8. The dematerialized Equity Shares tendered by Eligible Shareholders shall be rejected in case of receipt of the completed Tender Form and other documents but non-receipt of valid bid in the exchange bidding system.
9. By agreeing to participate in the Buy-back the Non-resident Shareholders give the Company the unconditional and irrevocable authority and power to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
10. Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buy-back Offer (including without limitation the approval from the RBI, if required).

All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.

-----Tear along this line-----

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUY-BACK AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID AND DP ID:

Investor Service Centre
Link Intime India Private Limited
Unit: Ajanta Pharma Limited Buy-back 2022
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India.
Tel. No.: +91 22 4918 6200 **Fax:** +91 22 4918 6195 **Email:** ajantapharma.buyback2022@linkintime.co.in;
Website: www.linkintime.co.in **Contact Person:** Mr. Sumeet Deshpande

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

Bid Number:
Date:

BUY-BACK OPENS ON:		[●],
BUY-BACK CLOSES ON:		[●],
For Registrar / collection centre use		
Inward No.	Date	Stamp
Status (please tick appropriate box)		
☐ Individual	☐ FII/FPI	☐ Insurance Co.
☐ Foreign Co.	☐ NRI/OCB	☐ FVCI
☐ Body Corporate	☐ Bank / FI	☐ Pension / PF
☐ VCF	☐ Partnership/LLP	☐ Others (specify)
India Tax Residency Status: Please tick appropriate box		
☐ Resident in India	☐ Non-Resident in India	☐ Resident of _____ (Shareholder to fill the country of residence)

To,
The Board of Directors
AJANTA PHARMA LIMITED,
C/o. Link Intime India Private Limited,
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India.

Dear Sirs,

Subject: Letter of Offer dated [●] in relation to Buy-back Offer of up to 11,20,000 fully paid-up Equity Shares of Ajanta Pharma Limited (“Company”) at a price of ₹ 2,550/- per Equity Share (“Buy-back Price”), payable in cash.

- I / We, having read and understood the Letter of Offer dated [●], hereby tender / offer my / our Equity Shares in response to the Buy-back Offer on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buy-back the Equity Shares offered by me/us (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-back to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this tender / offer are offered for Buy-back by me / us are free from all liens, equitable interest, charges and encumbrance.
- 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 Buy-back and that I / we am / are legally entitled to tender the Equity Shares for Buy-back.
- I / we agree that the Company will pay the Buy-back Price only after due verification of the validity of the documents and that the consideration may be paid to the first named shareholder.
- I / We agree that the consideration for the accepted Shares will be paid as per secondary market mechanism.
- I / We undertake to return to the Company any Buy-back consideration that may be wrongfully received by me / us.
- I / We agree that the Company is not obliged to accept any Equity Shares tendered/offered for Buy-back where loss of share certificates has been notified to the Company.
- I / We authorize the Company to split the share certificate and issue new consolidated share certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-back.
- 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 Company to give effect to the Buy-back in accordance with the Act and the Buy-back Regulations.
- Details of Equity Shares held and tendered / offered for Buy-back:

	In Figures	In Words
Number of Equity Shares held as on Record Date i.e., Friday, January 14, 2022		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Additional Equity Shares offered for Buy-Back		
Number of Equity Shares offered for Buy-back		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buy-back Entitlement. Number of Equity Shares validly tendered by Eligible Shareholder over and above his / her Buy-back Entitlement shall be accepted in accordance with paragraph 19.6, 19.7, 19.8, and 19.9 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

-----Tear along this line-----
Acknowledgement Slip: AJANTA PHARMA LIMITED BUY-BACK 2022
(To be filled by the Equity Shareholder) (Subject to verification)

Folio No.	
Received from Mr./ Ms./Mrs.	
Form of Acceptance-cum-Acknowledgement, Original TRS along with:	
No. of Equity Shares offered for Buy-back (In figures)	(in words)
Stamp of Broker/Registrar	

Please quote Folio No. for all future correspondence

12. Details of Share Certificate(s) enclosed: _____ Total No. of Share Certificates Submitted: _____

Sr. No.	Folio No.	Share Certificate No.	Distinctive No(s)		No. of Shares
			From	To	
Total					

In case the number of folios and share certificates enclosed exceed 3 nos., Please attach a separate sheet giving details in the same format as above.

13. Details of the bank account of the sole or first Shareholder to be incorporated (to be mandatorily filled):

Name of the Bank	Branch and City	Account Number (indicate type of account)

14. Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

	Power of Attorney		Corporate Authorizations
	Succession Certificate		Self-attested copy of PAN Card
	Death Certificate		Others (please specify)
	TRS		

15. Equity Shareholders Details:

Particulars	First/Sole Holder	Joint Holder 1 (if any)	Joint Holder 2(if any)	Joint Holder 3 (if any)
Full name(s) of the shareholder				
Signature(s)*				
PAN No.				
Address of the Sole/First Equity Shareholder				
Telephone No. of the Sole/First Equity Shareholder		Email ID of Sole/First Equity Shareholder		

**Corporate must affix rubber stamp and sign under valid authority. The relevant corporate authorization should be enclosed with the application form submitted.*

16. Applicable for all Non-resident shareholders –

- I/ We undertake to pay income taxes in India on any income arising on such Buy-back and taxable in accordance with the prevailing income tax laws in India. I/ We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-back of shares by me/ us.
- I/ We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the RBI under FEMA and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

INSTRUCTIONS

This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.

- This Buy-back will open on [●] and close on [●].
- Eligible Shareholders who wish to tender their Equity Shares in response to this Buy-back should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before [●] by 05.00 P.M. (i) The relevant Tender Form duly signed (by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) Original Equity Share certificates; (iii) Self attested copy of the Permanent Account Number (PAN Card); (iv) Affidavit made on appropriate non judicial stamp paper duly verified before a Notary confirming their signature, an original unsigned cancelled cheque and banker's attestation of the Eligible Shareholders signature and address; (v) Transfer deed (Form SH-4) duly signed (by all Eligible Shareholders in case Equity Shares are held jointly) in the same order in which they hold the Equity Shares.
- Eligible Shareholders should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar, if any person other than the Eligible Shareholder has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Shareholder is deceased; and (iii) Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
- Eligible Shareholders to whom the Buy-back offer is being made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
- All documents sent by the shareholder broker/ custodian will be at their own risk and the shareholder broker/ custodian is advised to adequately safeguard their interests in this regard.
- For the procedure to be followed by Equity Shareholders for tendering in the Buy-back Offer, please refer to paragraph 20 of the Letter of Offer.
- All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the grounds specified in paragraph 20.26 of the Letter of Offer.
- By agreeing to participate in the Buy-back the Non-resident Shareholders give the Company the unconditional and irrevocable authority and power to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buy-back (including without limitation the approval from the RBI).

All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.

-----Tear along this line-----

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK, IF ANY, SHOULD BE ADDRESSED TO REGISTRAR TO THE BUY-BACK AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO NO.:

Investor Service Centre
Link Intime India Private Limited
Unit: Ajanta Pharma Limited Buy-back 2022
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India.
Tel. No.: +91 22 4918 6200 **Fax:** +91 22 4918 6195 **Email:** ajantapharma.buyback2022@linkintime.co.in;
Website: www.linkintime.co.in **Contact Person:** Mr. Sumeet Deshpande

Form No. SH-4
Securities Transfer Form

[Pursuant to section 56 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of execution ____/____/____

FOR THE CONSIDERATION stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN: L24230MH1979PLC022059

Name of the company (in full): **AJANTA PHARMA LIMITED**

Name of the Stock Exchange where the company is listed, if any: **National Stock Exchange of India Limited and BSE Limited**

DESCRIPTION OF SECURITIES:

Kind/ Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Shares	₹ 2.00	₹ 2.00	₹ 2.00

No. of securities being transferred			Consideration received (₹)		
In figures	In words		In words		In figures
Distinctive Number	From				
	To				
Corresponding Certificate Nos.					

Transferors' Particulars

Registered Folio Number:

Name(s) in full	PAN (attach copy of PAN Card)	Signature(s)
1.		
2.		
3.		

I, hereby confirm that the transferor has signed before me.

Signature of the Witness:

Name of the Witness:

Address of the Witness:

.....

..... Pincode:

Transferee's Particulars

Name in full	Father's/ mother's/ Spouse name	Address & E-mail id	Occupation	Existing folio No., if any	Signature
(1)	(2)	(3)	(4)	(5)	(6)
Ajanta Pharma Limited	N.A.	'Ajanta House', 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India E-mail ID: investorgrievance@ajantapharma.com	Business	N.A.	

Folio No. of Transferee

Specimen Signature of Transferee

.....

1.

2.

3.

Value of stamp affixed: ₹.....

(Rupees)

Enclosures:

- (1) Certificate of shares.
- (2) If no certificate is issued, Letter of allotment.
- (3) Copy of PAN Card of all the Transferors (For all listed Cos.)
- (4) Others, specify.....

Stamps:

For office use only

Checked by.....

Signature tallied by.....

Entered in the Register of Transfer on vide Transfer No.....

Approval Date.....

Power of attorney/Probate/Death Certificate/Letter of Administration Registered on

at No.....