

Ref. No. – DAM/NIRMA/TC/2023/10/01

October 06, 2023

Glenmark Life Sciences Limited

Plot No 170-172
Chandramouli Industrial Estate,
Mohol Bazarpath,
Solapur - 413213,
Maharashtra, India

Dear Sir / Madam,

Sub: Submission of draft letter of offer (“DLOF”) in relation to an open offer for acquisition of up to 2,12,77,736 (two crore twelve lakh seventy seven thousand seven hundred and thirty six only) equity shares of face value of INR 2/- (Indian Rupees two only) each (“Equity Shares”), representing 17.33% of the of the Voting Share Capital (as defined in the DLOF) of Glenmark Life Sciences Limited (“Target Company”) from the Public Shareholders (as defined in the DLOF) by Nirma Limited (“Acquirer”) (“Offer” or “Open Offer”).

With regards to the captioned Open Offer, DAM Capital Advisors Limited has been appointed as the Manager to the Open Offer pursuant to and in accordance with Regulation 12(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and subsequent amendments thereto (“SEBI (SAST) Regulations”).

The public announcement was made by the Acquirer on September 21, 2023 and the detailed public statement in relation to the Open Offer was published in Financial Express (All editions - English language newspaper), Jansatta (All editions - Hindi language newspaper), Tarun Bharat (Solapur edition - Marathi language newspaper) (as the registered office of the Target Company is located in Solapur) and Mumbai Lakshadeep (Mumbai edition - Marathi language newspaper), each with wide circulation on September 28, 2023.

In this regard, we hereby enclose a copy of the DLOF dated October 06, 2023 in accordance with Regulation 18(1) of the SEBI (SAST) Regulations.

All capitalised terms not defined herein shall have the same meaning, as specified in the enclosed DLOF.

Yours faithfully

For **DAM Capital Advisors Limited**



Authorized signatory

Name: Sachin K. Chandiwal
Designation: MD – Corporate Finance

Encl: As above

DAM Capital Advisors Limited

One BKC, C-Wing, Unit No. 1511, G-Block, Bandra Kurla Complex, Mumbai – 400051. India. Tel. 022-4202 2500.
SEBI Reg. No. (Stock Broking – BSE Capital Markets / NSE Capital Markets / NSE Futures & Options): INZ000207137
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DRAFT LETTER OF OFFER

“THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

The Letter of Offer (*as defined below*) will be sent to you as a Public Shareholder (*as defined below*) of Glenmark Life Sciences Limited. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Offer/Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*) in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance (*as defined below*) and transfer deed to the member of stock exchange through whom the said sale was effected.

OPEN OFFER (“OPEN OFFER”/ “OFFER”)

by

NIRMA LIMITED (“Acquirer”)

A public limited company incorporated under the Companies Act, 1956

Registered Office: Nirma House, Ashram Road, Ahmedabad – 380 009, Gujarat, India;

CIN: U24240GJ1980PLC003670; **Tel:** +91 079-27546565, 27549000

TO ACQUIRE UP TO 2,12,77,736 (TWO CRORE TWELVE LAKH SEVENTY SEVEN THOUSAND SEVEN HUNDRED AND THIRTY SIX) FULLY PAID-UP EQUITY SHARES HAVING FACE VALUE OF INR 2/- (INDIAN RUPEES TWO ONLY) EACH (“EQUITY SHARES”), REPRESENTING 17.33% (SEVENTEEN POINT THREE THREE PERCENT) OF THE VOTING SHARE CAPITAL (AS DEFINED BELOW) OF THE TARGET COMPANY, AT A PRICE OF INR 631.20/- (INDIAN RUPEES SIX HUNDRED THIRTY ONE AND PAISE TWENTY ONLY) PER EQUITY SHARE, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED (“SEBI (SAST) REGULATIONS”), FROM THE PUBLIC SHAREHOLDERS OF

GLENMARK LIFE SCIENCES LIMITED (“Target Company”)



A public limited company incorporated under the Companies Act, 1956

Registered Office: Plot No 170-172 Chandramouli Industrial Estate, Mohol Bazarpath, Solapur - 413213, Maharashtra, India

CIN: L74900PN2011PLC139963; **Tel No.:** +91 22 68297979; **Website:** www.glenmarklifesciences.com

1. This Open Offer is being made by the Acquirer, pursuant to and in compliance with Regulations 3(1) and 4, and other applicable regulations of the SEBI (SAST) Regulations.
2. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of SEBI (SAST) Regulations.
3. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. As on the date of this draft letter of offer (“**Draft Letter of Offer**” or “**DLOF**”), to the best of the knowledge of the Acquirer, there are no statutory or other approval(s) required to acquire the Equity Shares that are validly tendered pursuant to this Offer and/or to complete the Underlying Transaction (*as defined below*), save and except the Required Statutory Approval (*as defined below*) and as set out in paragraph 8.4 (*Statutory and Other Approvals*) of this DLOF. However, if any statutory or other approval(s) becomes applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) being obtained. Where the statutory approvals extend to some but not all Public Shareholders, the Acquirer will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
5. Under Regulation 18(4) of the SEBI (SAST) Regulations, the Acquirer is permitted to revise the Offer Price (*as defined below*) or the Offer Size (*as defined below*) at any time prior to the commencement of the last 1 (one) Working Day (*as defined below*) before the commencement of the Tendering Period (*as defined below*). In the event of such revision, in terms of Regulation 18(5) of the SEBI (SAST) Regulations, the Acquirer shall (i) make a corresponding increase to the Escrow Amount in the Open Offer Escrow Account (*as defined below*), (ii) make an announcement in the same newspapers in which the DPS (*as defined below*) was published, and (iii) simultaneously notify the Stock Exchanges (*as defined below*), SEBI (*as defined below*) and the Target Company at its registered office. Such revision would be done in compliance with other requirements prescribed under the SEBI (SAST) Regulations.
6. The Acquirer may withdraw the Open Offer in accordance with the condition specified in paragraph 8.4.5 of this DLOF. In the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
7. **There is no competing offer as on the date of this Draft Letter of Offer. If there is a competing offer at any time hereafter, the offers under all subsisting bids will open and close on the same date.**
8. Copies of the Public Announcement (“**PA**”) and the Detailed Public Statement (“**DPS**”) are available and copies of the DLOF and the LOF (including Form of Acceptance) (*as defined below*) are expected to be available on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

All future correspondence should be addressed to the Manager to the Offer/Registrar to the Offer at the addresses mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 <p>DAM Capital Advisors Limited Address: One BKC, Tower C, 15th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India Telephone: +91 22 4202 2500 E-mail: gls.openoffer@damcapital.in Investor Grievance E-mail: complaint@damcapital.in Contact Person: Chandresh Sharma / Akshay Bhandari Website: www.damcapital.in SEBI Registration No.: MB/INM000011336</p>	 <p>KFin Technologies Limited (Formally known as KFin Technologies Private Limited) Address: Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500032, Telangana, India. Telephone: +91 40 6716 2222 Fax: +91 40 2343 1551 E-mail: glenmark.openoffer@kfintech.com Investor Grievance E-mail: einward.ris@kfintech.com Contact Person: M Murali Krishna Website: www.kfintech.com SEBI Registration Number: INR000000221 Validity: Permanent</p>

TENTATIVE SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Date ⁽¹⁾	Day ⁽¹⁾
1.	Date of the PA	September 21, 2023	Thursday
2.	Date of publication of the DPS	September 28, 2023	Thursday
3.	Date of filing of this DLOF with SEBI	October 06, 2023	Friday
4.	Last date for public announcement for competing offer(s)	October 20, 2023	Friday
5.	Last date for receipt of SEBI observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager)	October 30, 2023	Monday
6.	Identified Date ⁽²⁾	November 01, 2023	Wednesday
7.	Last date by which the LOF is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	November 08, 2023	Wednesday
8.	Last date for upward revision of the Offer Price and/or Offer Size	November 13, 2023	Monday
9.	Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Public Shareholders for this Open Offer	November 13, 2023	Monday
10.	Date of publication of Offer opening public announcement in the newspapers in which the DPS has been published	November 15, 2023	Wednesday
11.	Date of commencement of the tendering period (" Offer Opening Date ")	November 16, 2023	Thursday
12.	Date of closure of the tendering period (" Offer Closing Date ")	November 30, 2023	Thursday
13.	Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	December 14, 2023	Thursday
14.	Last date for publication of post-Offer public announcement in the newspapers in which the DPS has been published	December 21, 2023	Thursday

Notes:

- (1) *The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and subject to receipt of requisite statutory and other approvals. They may have to be revised accordingly.*
- (2) *The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF will be sent. It is clarified that all holders (registered or unregistered) of Equity Shares (except those who are excluded from the ambit of Public Shareholders) are eligible to participate in the Open Offer at any time during the Tendering Period.*

RISK FACTORS RELATING TO THE UNDERLYING TRANSACTION, THE PROPOSED OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRER

The risk factors set forth below are limited to this Open Offer, the Underlying Transaction contemplated under the SPA, and the Acquirer, and are not in relation to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of all the risks involved in participation by Public Shareholders in this Open Offer, or in association with the Acquirer, but are merely indicative in nature. Public Shareholders are advised to consult their stockbrokers, legal advisors, investment consultants and/or tax advisors, for understanding and analysing all risks associated with participation in this Open Offer.

For capitalized terms used herein, please refer to the section on Definitions set out below.

A. Relating to the Underlying Transaction

1. The obligation of the Acquirer to complete the Underlying Transaction is conditional upon fulfilment of the conditions set out in the SPA (unless waived by the Acquirer), as set out in paragraph 3.1.6.1 of this DLOF. The Underlying Transaction will be undertaken subject to the terms and conditions contained in the SPA, including receipt of the Required Statutory Approval (*as defined below*). Further, the Underlying Transaction is subject to completion risks as would be applicable to similar transactions.

B. Relating to the Offer

1. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, the Acquirer shall have the right to withdraw the Open Offer, in the event that, for reasons outside the reasonable control of the Acquirer, (a) any statutory or other approvals specified in paragraph 8.4 (*Statutory and Other Approvals*) of this DLOF including the Required Statutory Approval or those which become applicable prior to completion of the Open Offer are finally refused and/or (b) any of the conditions precedent under the SPA as specified in paragraphs 3.1.6.1 of this DLOF are not met. In the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
2. If, (a) there is delay in receipt of the Required Statutory Approval or any other applicable statutory or other approvals; (b) there is any litigation leading to a stay on the Open Offer; or (c) SEBI instructs the Acquirer to suspend the Open Offer, then the Open Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the Public Shareholders whose Equity Shares have been accepted in this Open Offer as well as return of the Equity Shares not accepted by the Acquirer may be delayed. In case of delay due to non-receipt of statutory approval(s), in accordance with Regulations 18(11) and 18(11A) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not on account of any wilful default or negligence on the part of the Acquirer, grant extension for the purpose of completion of this Open Offer subject to the Acquirer agreeing to pay interest to the Public Shareholders, as may be specified by SEBI. Where the required statutory approvals apply to some but not all of the Public Shareholders, the Acquirer will have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.
3. Equity Shares once tendered in the Open Offer cannot be withdrawn by the Public Shareholders, even in the event of a delay in the acceptance of Equity Shares under the Open

Offer and/or the payment of consideration. A lien shall be marked against the Equity Shares tendered in the Offer by the Public Shareholders until the completion of the formalities of this Offer and the Public Shareholders who have tendered their Equity Shares will not be able to trade in such Equity Shares during such period, even if the acceptance of the Equity Shares in this Offer and/ or payment of consideration are delayed. During such period, there may be fluctuations in the market price of the Equity Shares of the Target Company that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Open Offer. Neither the Acquirer nor the Manager to the Offer make any assurance with respect to the market price of the Equity Shares and disclaim any responsibility with respect to any decision by any Public Shareholder on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding participation in this Open Offer.

4. All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender Equity Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India (including non-resident Indians, foreign institutional investors and foreign portfolio investors) had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares. Public Shareholders classified as overseas corporate bodies (“OCB”), if any, may tender the Equity Shares held by them in the Open Offer pursuant to receipt of approval from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder. Such OCBs shall approach the RBI independently to seek approval to tender the Equity Shares held by them in the Open Offer.
5. The DLOF/LOF, together with the DPS and the PA in connection with the Offer has been prepared for the purposes of compliance with the applicable laws and regulations of India, including the SEBI Act and the SEBI (SAST) Regulations, and has not been filed, registered or approved in any jurisdiction outside India. Recipients of this DLOF/LOF who are resident in jurisdictions outside India should inform themselves of and comply with any applicable legal requirements. This Open Offer is not directed towards any person or entity in any jurisdiction where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements.
6. No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The LOF shall be sent to all Public Shareholders whose names appear on the register of members of the Target Company, at their stated address, as of the Identified Date, subject to Regulation 18(2) of the SEBI (SAST) Regulations, provided that where local laws or regulations of any jurisdiction outside India may expose the Acquirer, the Manager to the Offer or the Target Company to material risk of civil, regulatory or criminal liabilities in the event the LOF in its final form were to be sent without material amendments or modifications into such jurisdiction, and the Public Shareholders resident in such jurisdiction hold Equity Shares entitling them to less than 5.00% (five percent) of the voting rights of the Target Company, the Acquirer may refrain from sending the LOF into such jurisdiction: provided further that, subject to applicable law, every person holding Equity Shares, regardless of whether he, she or it held Equity Shares on the Identified Date or has not received the LOF, shall be entitled to tender such Equity Shares in acceptance of the Offer.

7. Public Shareholders are advised to consult their respective stockbroker, legal, financial, investment or other advisors and consultants of their choosing, if any, for assessing further risks with respect to their participation in this Open Offer, and related transfer of Equity Shares of the Target Company to the Acquirer. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Open Offer, or in respect of any other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in the DLOF.
8. The Acquirer, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
9. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, DLOF, or in the advertisements or any corrigenda or any materials issued by or at the instance of the Acquirer or the Manager to the Offer in relation to the Open Offer. Notwithstanding the above, the Acquirer and the Manager to the Offer do not accept responsibility for the statements made and information with respect to the Target Company (which has been compiled from information published or publicly available sources or provided by the Target Company) and the Seller (which has been sourced from the Seller), as set out in the PA, DPS, DLOF, LOF, or in the advertisements or any corrigenda or any materials issued by or at the instance of the Acquirer or the Manager to the Offer. The accuracy of such details of the Target Company and/or the Seller have not been independently verified by the Acquirer or the Manager to the Offer. Anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his/her/its own risk.
10. The information contained in this DLOF is as of the date of this DLOF unless expressly stated otherwise. The Acquirer and the Manager to the Offer are under no obligation to update the information contained herein at any time after the date of this DLOF.

C. Relating to the Acquirer

1. The Acquirer and Manager to the Offer make no assurance with respect to the continuation of the past trends in the financial performance or the future performance of the Target Company and disclaim any responsibility with respect to any decision by any of the Public Shareholders on whether or not to participate in the Open Offer. The Public Shareholders should not be guided by the past performance of the Target Company and/or the Acquirer while arriving at their decision to participate in the Open Offer.
2. The Acquirer and Manager to the Offer make no assurance with respect to their investment/divestment decisions relating to their proposed shareholding in the Target Company.
3. The Acquirer and Manager to the Offer do not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or upon the completion of this Open Offer and expressly disclaim any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any shareholder on whether to participate or not to participate in the Open Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

4. Pursuant to completion of this Open Offer, the shareholding of the public shareholders in the Target Company is likely to be below the minimum public shareholding requirement as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957 (“**SCRR**”) read with the SEBI (LODR) Regulations. The Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time.

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES

This DLOF 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. Readers of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

The Open Offer described in this DLOF is not being made to, nor will tender of shares be accepted from or on behalf of Public Shareholders in any jurisdiction in which such offer or invitation is not in compliance with applicable law or to any person to whom it is unlawful to make such offer or solicitation. Readers of the information contained in this DLOF are requested to inform themselves about and to observe any such restrictions.

DISCLAIMER FOR U.S. PERSONS

In addition to the above, please note that the Open Offer is being made for the acquisition of securities of an Indian company and Public Shareholders in the U.S. or that are U.S. persons should be aware that this DLOF and any other documents relating to the Open Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the Offer timetable and timing of payments, all of which differ from those in the U.S. Any financial information included in this DLOF or in any other documents relating to the Open Offer, has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

CURRENCY OF PRESENTATION

In this DLOF, all references to “Indian Rupees” or “INR” are references to the Indian Rupee(s).

In this DLOF, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

TABLE OF CONTENTS

1. DEFINITIONS	8
2. DISCLAIMER CLAUSE.....	12
3. DETAILS OF THE OFFER	13
4. BACKGROUND OF THE ACQUIRER	17
5. DETAILS OF THE SELLER.....	24
6. BACKGROUND OF THE TARGET COMPANY	24
7. OFFER PRICE AND FINANCIAL ARRANGEMENTS.....	28
8. TERMS AND CONDITIONS OF THE OFFER	32
9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER.....	35
10. NOTE ON TAXATION	45
11. DOCUMENTS FOR INSPECTION.....	52
12. DECLARATION BY THE ACQUIRER.....	53

FORM OF ACCEPTANCE AND SHARE TRANSFER FORM

1. DEFINITIONS

Acquirer	Nirma Limited
AOP	Association of persons
Board	Board of directors of the Target Company
BOI	Body of individuals
BSE	BSE Limited
Buying Broker	DAM Capital Advisors Limited
CDSL	Central Depository Services (India) Limited
CKYC	Central know your client
CIN	Company Identification Number
Clearing Corporation	NSE Clearing Limited
Depositories	CDSL and NSDL
Designated Stock Exchange	National Stock Exchange of India Limited
DIN	Director Identification Number
DLOF/ Draft Letter of Offer	This Draft Letter of Offer dated October 06, 2023, filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations
DP	Depository participant
DPS/ Detailed Public Statement	Detailed public statement in connection with the Open Offer, published on behalf of the Acquirer on September 28, 2023, in the newspapers mentioned in paragraph 3.2.2 of this DLOF
DTAA	Double Taxation Avoidance Agreement
EPS	Earnings per share
Equity Share(s)	Fully paid-up Equity Shares of the Target Company having face value of INR 2/- (Indian Rupees two only) each
Escrow Agent	Kotak Mahindra Bank Limited
Escrow Agreement	Escrow Agreement dated September 22, 2023, executed by and between the Acquirer, the Manager and the Escrow Agent
Escrow Amount	A cash deposit of INR 209,31,00,000/- (Indian Rupees two hundred and nine crore thirty one lakh only) in the Open Offer Escrow Account made by the Acquirer
ESOPs	Employee stock options
FATCA	Foreign Account Tax Compliance Act
FEMA	The Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, as amended or modified from time to time
FII/ FPI	Foreign Institutional Investor or Foreign Portfolio Investor as defined under FEMA
Form of Acceptance	Form of Acceptance-cum-Acknowledgement
GAAR	General Anti Avoidance Rules
HUF	Hindu undivided family
Identified Date	Date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of

	determining the Public Shareholders to whom the LOF shall be sent.
Income Tax Act	Income Tax Act, 1961 and subsequent amendments thereto
Indian Rupees or INR	Indian Rupees
IPV	In person verification
KRA	KYC registration agency
KYC	Know your client
LOF/Letter of Offer	Letter of offer dated [●], duly incorporating SEBI's comments on the DLOF, and including the Form of Acceptance, which shall be dispatched to the Public Shareholders
LTCG	Long Term Capital Gains
Manager/ Manger to the Offer	DAM Capital Advisors Limited
Maximum Consideration/ Maximum Open Offer Consideration	The total funding requirement for this Offer (assuming full acceptance), i.e., INR 1343,05,06,963.20/- (Indian Rupees one thousand three hundred and forty three crore five lakh six thousand nine hundred and sixty three and Paise twenty only)
N.A.	Not applicable
NOC	No Objection Certificate
NRI	Non-resident Indian as defined under FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB(s)	Overseas Corporate Bodies
Offer/ Open Offer	Open Offer for acquisition of up to 2,12,77,736 (two crore twelve lakh seventy seven thousand seven hundred and thirty six) Equity Shares representing 17.33% (seventeen point three three percent) of the Voting Share Capital of the Target Company at the Offer Price, payable in cash
Offer Closing Date	Expected date of closure of the Tendering Period, i.e., Thursday, November 30, 2023
Open Offer Escrow Account	Escrow account named "Escrow Account-Nirma Ltd-Open Offer" opened with the Escrow Agent in terms of the Escrow Agreement
Offer Opening Date	Expected date of commencement of the Tendering Period, i.e., Thursday, November 16, 2023
Offer Period	Period as defined in the SEBI (SAST) Regulations
Offer Price	INR 631.20/- (Indian Rupees six hundred and thirty-one and Paise twenty only) per Equity Share, payable in cash
Offer Shares	Up to 2,12,77,736 (two crore twelve lakh seventy seven thousand seven hundred and thirty six) Equity Shares of the Target Company, i.e., the entire public shareholding in the Target Company i.e., 2,10,14,422 Equity Shares, and 2,63,314 vested ESOPs.
Offer Size	Up to 2,12,77,736 (two crore twelve lakh seventy seven thousand seven hundred and thirty six) Equity Shares representing 17.33% (seventeen point three three percent) of the Voting Share Capital of the Target Company
OSV	Original seen and verified

PA/Public Announcement	Public announcement dated September 21, 2023, issued by the Manager on behalf of the Acquirer, in connection with the Offer
PAN	Permanent Account Number
Public Shareholders	All the public shareholders of the Target Company who are eligible to tender their Equity Shares in the Open Offer, other than: (i) the Acquirer, (ii) the parties to the underlying SPA, and (iii) persons deemed to be acting in concert with the persons set out in (i) and (ii), pursuant to and in compliance with the SEBI (SAST) Regulations
Registrar to the Offer	KFin Technologies Limited
RBI	Reserve Bank of India
Required Statutory Approval	Means the approval of the Competition Commission of India under the Competition Act, 2002, required for the consummation of the underlying transaction contemplated in the SPA and the Open Offer
Sale Shares	9,18,95,379 (nine crore eighteen lakhs ninety five thousand three hundred seventy nine) Equity Shares, representing 74.84% (seventy four point eight four percent) of the Voting Share Capital, which the Acquirer has agreed to acquire under the SPA from the Seller at a price of INR 615/- (Indian Rupees six hundred and fifteen only) per Sale Share.
SCRR	Securities Contracts (Regulation) Rules, 1957 and subsequent amendments thereto
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and subsequent amendments thereto
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereto
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
Seller	Glenmark Pharmaceuticals Limited
SPA	Share purchase agreement executed by the Acquirer with the Seller and the Target Company on September 21, 2023
STCG	Short Term Capital Gains
Stock Exchanges	Stock exchanges where the Equity Shares of the Target Company are listed, i.e., BSE and NSE
STT	Securities Transaction Tax
Target Company	Glenmark Life Sciences Limited
Tendering Period	Period expected to commence on Thursday, November 16, 2023, and close on Thursday, November 30, 2023, both days inclusive
TRC	Tax Residence Certificate
TRS	Transaction Registration Slip
Underlying Transaction	The acquisition of Sale Shares in terms of the SPA

Voting Share Capital	The total voting equity share capital of the Target Company on a fully diluted basis expected as of the 10th (tenth) Working Day from the closure of the tendering period of the Open Offer, including 2,63,314 vested employee stock options that are presently outstanding and exercisable into an equal number of Equity Shares.
Working Day	Working days of SEBI as defined in the SEBI (SAST) Regulations, in Mumbai

Notes:

- (1) *All capitalized terms used in this DLOF and not specifically defined herein shall have the meaning ascribed to them in the SEBI (SAST) Regulations.*
- (2) *In this DLOF, any reference to the singular will include the plural and vice-versa.*

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF GLENMARK LIFE SCIENCES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE EQUITY SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER – DAM CAPITAL ADVISORS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED OCTOBER 6, 2023, TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OPEN OFFER.”

General Disclaimer

This DLOF together with the PA dated September 21, 2023, and the DPS that was published on September 28, 2023, in connection with the Offer, has been prepared for the purposes of compliance with applicable laws and regulations of the SEBI (SAST) 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. Neither the delivery of this DLOF and/or the LOF, under any circumstances, create any implication that there has been no change in the affairs of the Target Company and/or the Acquirer, since the date hereof or that the information contained herein is correct as at any time subsequent to this date, nor is it to be implied that the Acquirer or any persons deemed to act in concert with them are under any obligations to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The LOF shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company, at their stated address, as of the Identified Date. However, receipt of the LOF by any Public Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this DLOF and/or the LOF under any local securities laws), shall not be treated by such Public Shareholder as an offer being made to them, and shall be construed by them as being sent for information purposes only. Accordingly, no such Public Shareholder may tender his, her or its Equity Shares in this Offer in such jurisdiction.

Persons in possession of the PA, the DPS, this DLOF, and/or any other advertisement/publication made or delivered in connection with the Offer are required to inform themselves of any relevant restrictions. Any Public Shareholder who tenders his, her or its Equity Shares in this Offer 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 this Offer.

3. DETAILS OF THE OFFER

3.1. Background of the Offer

3.1.1. The Offer is a mandatory open offer being made by the Acquirer to the Public Shareholders of the Target Company in accordance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the execution of the SPA.

3.1.2. The Acquirer has entered into a share purchase agreement dated September 21, 2023 with the Seller and the Target Company ("**SPA**"), whereby the Acquirer has agreed to acquire 9,18,95,379 (nine crore eighteen lakhs ninety five thousand three hundred seventy nine) Equity Shares ("**Sale Shares**"), representing 74.84% (seventy four point eight four percent) of the Voting Share Capital, from the Seller at a price of INR 615/- (Indian Rupees six hundred and fifteen only) per Sale Share, aggregating to INR 5651,56,58,085/- (Indian Rupees five thousand six hundred and fifty one crore fifty six lakh fifty eight thousand and eighty five only) ("**Sale Consideration**"), subject to and in accordance with the terms and conditions contained in the SPA, including receipt of the Required Statutory Approval ("**Underlying Transaction**").

3.1.3. Pursuant to the consummation of the Underlying Transaction and subject to compliance with the SEBI (SAST) Regulations, the Acquirer will have sole control over the Target Company and will become the promoter of the Target Company in accordance with the provisions of the SEBI (LODR) Regulations. Further, pursuant to the consummation of the Underlying Transaction, the Seller along with the other member of the promoter group of the Target Company intend to be reclassified as public shareholders in accordance with the procedures contained in the SEBI (LODR) Regulations.

3.1.4. As a consequence of the substantial acquisition of shares, voting rights and control over the Target Company by the Acquirer, this Open Offer is a mandatory offer being made by the Acquirer in compliance with Regulations 3(1) and 4 of SEBI (SAST) Regulations.

3.1.5. The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

3.1.6. Salient features of the SPA are set out below:

3.1.6.1 The obligation of the Acquirer to purchase the Sale Shares is conditional upon the fulfilment of each of the conditions precedent as set out in the SPA to the satisfaction of the Acquirer (unless waived or modified by the Acquirer), which include among others, the following key conditions:

- (a) receipt by the Seller and the Target Company of requisite corporate approvals and authorisations (including approvals required from the shareholders of the Seller) and requisite consents from their lenders identified in the SPA necessary *inter alia* for giving effect to the Underlying Transaction;
- (b) the Seller Warranties and Company Warranties (*as defined in the SPA*) being true and accurate in all material respects, as of the date of execution of the SPA and as of the Closing Date (*as defined in the SPA*);
- (c) the Seller having procured certificates in relation to taxation matters as set out in the SPA;

- (d) the Target Company having submitted applications for certain operational and other matters related to its manufacturing facilities to regulatory authorities specified in the SPA;
 - (e) the Seller having obtained consents from certain lenders of the Seller (*as identified in the SPA*) for the sale of the Sale Shares from the Seller to the Acquirer;
 - (f) no Material Adverse Effect (*as defined in the SPA*) shall have occurred between the date of execution of the SPA and the Closing Date (*as defined in the SPA*), which has not been cured; and
 - (g) no governmental authority of competent jurisdiction having enacted, issued, promulgated or enforced any law, including any judgement, decree, injunction or order, that prohibits or makes illegal the acquisition of the Sale Shares by the Acquirer under the SPA.
- 3.1.6.2 The completion of the Underlying Transaction is subject to the Acquirer having obtained the Required Statutory Approval (*i.e., the approval of the Competition Commission of India under the Competition Act, 2002, required for the consummation of the Underlying Transaction and the Open Offer*).
- 3.1.6.3 Until the Closing Date, the Target Company is subject to certain standstill covenants. The SPA also contains provisions in relation to certain representations, warranties and indemnities. Further, the parties have agreed to certain non-compete and non-solicit obligations as set out in the SPA for a specified period.
- 3.1.6.4 At the time of closing, a portion of the Sale Consideration payable by the Acquirer to the Seller in regard to the Sale Shares that are presently locked-in (*i.e., 2,45,05,435 Equity Shares, "Locked-in Shares"*) will be deposited in an escrow account, and such amounts will be released to the Seller upon credit of the Locked-in Shares in the Acquirer's demat account.
- 3.1.6.5 The Sale Consideration is subject to certain pre-closing adjustments as agreed between the parties in the SPA. Further, prior to the closing of the Underlying Transaction, the board of directors of the Target Company may consider, approve and declare an interim dividend of INR 22.50 (Indian Rupees twenty two and Paise fifty) per Equity Share, subject to the provisions of the Companies Act, 2013 and other applicable law (*please refer to paragraph 7.1.7 of this DLOF for further details*). In such an event, the Sale Consideration will stand adjusted in the manner specified in the SPA.
- 3.1.6.6 Pursuant to consummation of the Underlying Transaction, the Seller will retain 96,09,571 (ninety six lakh nine thousand five hundred and seventy one) Equity Shares representing 7.83% (seven point eight three percent) of the Voting Share Capital. The Seller has agreed that it shall not sell, transfer or otherwise dispose such Equity Shares from the date of execution of the SPA until the earlier of: (i) 1 (one) year from the closing under the SPA; and (ii) 1 (one) month from the date of compliance with minimum public shareholding requirements as per Rule 19A of the SCRR, by the Target Company and the Acquirer.
- 3.1.6.7 The SPA may be terminated in the following circumstances:
- (a) by mutual agreement of the parties to the SPA in writing; or
 - (b) by the Seller or the Acquirer in the event the sale and purchase of the Sale Shares does not occur on or before the Long Stop Date (*as defined in the SPA*) (including any extensions thereof agreed in writing by the Seller and the Acquirer), provided that the

Seller or the Acquirer shall not be entitled to terminate the SPA if its material breach has prevented or materially delayed the consummation of the Underlying Transaction

- 3.1.7. In addition, certain ancillary arrangements have been agreed among the Target Company, the Seller and certain subsidiaries of the Seller for the provision of support services for a specified period to facilitate the transition of ownership of the Target Company from the Seller to the Acquirer. Such agreements include: (i) a trademark license amendment agreement dated September 21, 2023, pursuant to which the Seller has permitted the Target Company to use the trademark 'Glenmark' for a specified transition period; and (ii) a services amendment agreement dated September 21, 2023, pursuant to which the Seller and certain subsidiaries of the Seller will provide support services for a specified transition period, including with respect to business development arrangements in overseas jurisdictions. In addition, the Target Company and the Seller have also entered into a restated and amended API purchase and supply agreement dated September 21, 2023, pursuant to which the Seller has agreed to procure active pharmaceutical ingredients from the Target Company on the terms stated therein.
- 3.1.8. The Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 3.1.9. Pursuant to completion of this Open Offer, the shareholding of the public shareholders in the Target Company is likely to be below the minimum public shareholding requirement as per Rule 19A of the SCRR read with SEBI (LODR) Regulations. The Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time.
- 3.1.10. The Acquirer does not have any nominee directors or representatives on the board of directors of the Target Company as on the date of this DLOF.
- 3.1.11. As per Regulations 26(6) and 26(7) of the SEBI (SAST) Regulations, the board of directors of the Target Company is required to constitute a committee of independent directors to publish its written reasoned recommendation on the Open Offer to the Public Shareholders of the Target Company and such recommendation shall be published at least 2 (two) Working Days before the commencement of the Tendering Period, in the same newspapers in which the DPS was published.

3.2. Details of the proposed Offer

- 3.2.1. The PA announcing the Open Offer, under Regulations 3(1) and 4 read with Regulation 15(1) of the SEBI (SAST) Regulations, was filed with the Stock Exchanges and SEBI on September 21, 2023, and a copy thereof was also sent to the Target Company on September 21, 2023. The PA is available on the website of SEBI at www.sebi.gov.in.
- 3.2.2. In accordance with Regulation 14(3) of SEBI (SAST) Regulations, the DPS was published in the following newspapers on September 28, 2023:

Newspapers	Language	Editions
Financial Express	English	All
Jansatta	Hindi	All
Tarun Bharat	Marathi	Solapur
Mumbai Lakshadeep	Marathi	Mumbai

The DPS was also submitted to SEBI and the Stock Exchanges and sent to the Target Company on September 28, 2023. The DPS is also available on the website of SEBI at www.sebi.gov.in.

- 3.2.3. This Open Offer is being made by the Acquirer to the Public Shareholders of the Target Company to acquire up to 2,12,77,736 (two crore twelve lakh seventy seven thousand seven hundred and thirty six) Equity Shares ("**Offer Shares**") representing 17.33% (seventeen point three three percent) of the Voting Share Capital ("**Offer Size**"), at an offer price of INR 631.20/- (Indian Rupees six hundred and thirty one and Paise twenty only) per Equity Share ("**Offer Price**") aggregating to a total consideration of up to INR 1343,05,06,963.20/- (Indian Rupees one thousand three hundred and forty three crore five lakh six thousand nine hundred and sixty three and Paise twenty only) (assuming full acceptance) ("**Maximum Consideration**"), subject to the receipt of the Required Statutory Approval and the terms and conditions mentioned herein. The Offer Shares include the entire public shareholding in the Target Company, i.e., 2,10,14,422 (two crore ten lakh fourteen thousand four hundred and twenty two) Equity Shares, and 2,63,314 (two lakh sixty three thousand three hundred and fourteen) vested ESOPs.
- 3.2.4. The Offer Price is the price arrived at in accordance with Regulation 8(1) and 8(2) of the SEBI (SAST) Regulations, i.e., INR 631.20 (Indian Rupees six hundred and thirty one and Paise twenty only). The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- 3.2.5. As on the date of this DLOF, there is only one class of Equity Shares and there are no: (i) partly paid-up equity shares; (ii) Equity Shares carrying differential voting rights; and/ or (iii) outstanding convertible instruments (such as depository receipts, fully convertible debentures, warrants, convertible preference shares, etc.) issued by the Target Company which are convertible into Equity Shares of the Target Company (other than the outstanding ESOPs). There is no differential pricing for this Offer.
- 3.2.6. This Open Offer is not a competing offer and there is no competing offer as on the date of this DLOF in terms of Regulation 20 of the SEBI (SAST) Regulations. This Offer is not conditional upon any minimum level of acceptance from the Public Shareholders of the Target Company in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
- 3.2.7. The Acquirer has not acquired any Equity Shares after the date of the PA, i.e., September 21, 2023, and up to the date of this DLOF.
- 3.2.8. The Manager does not hold any Equity Shares in the Target Company as on the date of this DLOF. The Manager to the Offer further declares and undertakes not to deal on its own account in the Equity Shares during the Open Offer period, in terms of Regulation 27(6) of SEBI (SAST) Regulations.
- 3.3. **Object of the acquisition/Offer**
- 3.3.1. The prime objective of the Acquirer for undertaking the Underlying Transaction and the Open Offer is to have substantial holding of Equity Shares and voting rights, accompanied by acquisition of control of the Target Company, with a view to enter into the growing pharmaceuticals sector. Following the completion of the Open Offer and the Underlying Transaction, the Acquirer intends to work with the management and employees for growth of the Target Company.
- 3.3.2. Subsequent to the completion of the Open Offer, the Acquirer reserves the right, in consultation with the board of directors of the Target Company, to streamline/ restructure

the operations, assets, liabilities and/ or businesses of the Target Company and/ or its subsidiary/(ies) through arrangement/ reconstruction, restructuring, merger, demerger and/ or sale of assets or undertakings, at a later date. Further, in terms of Regulation 25(2) of the SEBI (SAST) Regulations, the Acquirer, in consultation with the board of directors of the Target Company, and based on the requirements of the business of the Target Company and/ or its subsidiary/(ies), if any, and in accordance with applicable laws, may consider disposal of or creating encumbrance over any assets or investments of the Target Company and/ or its subsidiary/(ies), through sale, lease, reconstruction, restructuring and/or re-negotiation or termination of existing contractual/ operating arrangements, for restructuring and/ or rationalising the assets, investments or liabilities of the Target Company and/ or any of its subsidiaries (if any), to improve operational efficiencies and for other commercial reasons. Decision on these matters will be based on the requirements of the business of the Target Company and/ or its subsidiary/(ies), if any, and such decision will be taken in accordance with and as permitted by applicable laws.

4. BACKGROUND OF THE ACQUIRER

4.1. Nirma Limited (“Acquirer”)

4.1.1. The Acquirer, i.e., Nirma Limited, is a public company limited by shares. It was incorporated on February 25, 1980, as a private limited company under the provisions of the Companies Act, 1956 in the name of “Nirma Private Limited”. The Acquirer became a deemed public limited company by operation of law with effect from July 01, 1989, pursuant to the provisions of Section 43A of the Companies Act, 1956. With effect from November 08, 1993, the Acquirer has become a full-fledged public limited company and its name was changed to “Nirma Limited”.

4.1.2. The registered office of the Acquirer is located at Nirma House, Ashram Road, Ahmedabad – 380 009, Gujarat, India. The CIN of the Acquirer is U24240GJ1980PLC003670.

4.1.3. The Acquirer is primarily engaged in the business of producing soaps, surfactants, soda ash, salt, and industrial chemicals such as n-paraffins, phosphate, bromine, etc. The Acquirer’s manufacturing facilities are situated in Gujarat at Bhavnagar, Porbandar, Alindra, Mandali and Moraiya.

4.1.4. As on the date of this DLOF, the issued and paid-up equity share capital of the Acquirer is INR 73,03,75,650/- (Indian Rupees seventy three crore three lakh seventy five thousand six hundred and fifty only) comprising of 14,60,75,130 (fourteen crore sixty lakh seventy five thousand one hundred and thirty) equity shares of INR 5/- (Indian Rupees five only) each. The Acquirer belongs to the Nirma group. The shareholding pattern of the Acquirer as on September 30, 2023, is set out below:

SR NO	SHAREHOLDERS’ CATEGORY	NUMBER OF SHARES	% OF SHARES
1.	Promoters and Promoter Group ⁽¹⁾	14,60,75,130	100%
2.	FII/Mutual Funds/FIs/Banks/VCF/AIF	Nil	Nil
3.	Other Public Shareholders	Nil	Nil
4.	Non-Promoter Non-Public	Nil	Nil
Total		14,60,75,130	100.00

Notes:

(1) *Dr. Karsanbhai Khodidas Patel is the promoter of the Acquirer. The promoter group of the Acquirer consists of: (i) Shantaben Karsanbhai Patel; (ii) Rakesh Karsanbhai Patel; (iii) Hiren Karsanbhai Patel; (iv) Rajalben H Patel; (v) Keyuriben Rakeshbhai Patel; and (vi) Dhruvil Hiren Patel.*

- 4.1.5. The equity shares of the Acquirer are not listed on any stock exchange in India or abroad. However, non-convertible debentures of the Acquirer are listed on NSE.
- 4.1.6. No other person is acting in concert with the Acquirer for the purposes of this Open Offer. While persons may be deemed to be acting in concert with the Acquirer in terms of Regulation 2(1)(q)(2) of the SEBI (SAST) Regulations (“**Deemed PACs**”), such Deemed PACs are not acting in concert with the Acquirer for the purposes of this Open Offer, within the meaning of Regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 4.1.7. The Acquirer has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 4.1.8. Names, details of experience, qualifications, and date of appointment of the directors on the board of directors of the Acquirer, as on the date of this DLOF, are as follows:

Name	Qualifications & Experience
<p>Name: Dr. Karsanbhai K Patel Date of appointment: February 25, 1980 Designation: Chairman and non-executive director DIN: 00404099</p>	<p>Qualifications: B.Sc (Chemistry), Honorary Doctorate of Humane Letters (Florida Atlantic University, USA)</p> <p>Experience: Dr. Karsanbhai K Patel is the founder and promoter of the Nirma group. He has several years of creditable experience in the fields of inorganic & organic chemicals, consumer goods, healthcare and cement industries. He is the key driving force behind the success of the Nirma group. Under his leadership and guidance, the Nirma group achieved significant size and scale of operations.</p> <p>The Government of India honoured Dr. Karsanbhai K Patel with one of the highest civilian awards, the Padma Shri in 2010. He has also received the Udyog Rattan award from the Institute of Economic Studies, New Delhi in 1987. Further, he has been conferred an honorary Doctorate of Humane Letters by Florida Atlantic University, USA in 2001, and an honorary Doctor of Letters by Devi Ahilya Vishwavidyalaya, Indore (University of Indore) in 2007. He has undertaken various educational initiatives by setting up Nirma University and Nirma Vidyavihar.</p>
<p>Name: Mr. Rakesh K Patel Date of appointment: February 04, 1997 Designation: Vice Chairman and non-executive director DIN: 00760023</p>	<p>Qualifications: B.Com., MBA</p> <p>Experience: Mr. Rakesh K Patel has rich experience in handling portfolios such as procurement, logistics and HR functions of the Acquirer. He is also associated with various management and industrial chapters. Apart from being a member of the Governing Body of Nirma University and Managing Committee of Nirma</p>

Name	Qualifications & Experience
	Education & Research Foundation, he is also a trustee of Nima Foundation.
<p>Name: Mr. Pankaj R Patel Date of appointment: May 30, 2022 Designation: Non-executive non-independent director DIN: 00131852</p>	<p>Qualifications: M.Pharm</p> <p>Experience: Mr. Pankaj R Patel is the Chairman of Zydus Lifesciences Limited, a discovery-driven, global Lifesciences company. A stalwart and a visionary, he combines both research and techno-commercial expertise. He has been conferred with Dsc. (Honoris Causa) by Dr. A.P.J. Abdul Kalam Technical University, Lucknow.</p> <p>Mr. Pankaj R Patel has been appointed as the Part Time Non-official Director in Central Board of the Reserve Bank of India. He is on the board of several institutions. He is a former president of the Federation of Indian Chamber of Commerce & Industry (FICCI). He is also actively engaged in many charitable activities.</p> <p>For his entrepreneurial vision, he was awarded the Ernst & Young Entrepreneur of the Year Award in the Life Sciences category.</p>
<p>Name: Mr. Kaushikbhai N Patel Date of appointment: March 31, 2023 Designation: Non-executive independent director DIN: 00145086</p>	<p>Qualifications: Chartered Accountant</p> <p>Experience: Mr. Kaushikbhai N Patel has rich and varied experience in strategy, financial planning, mergers and acquisitions, direct tax and capital markets. He is currently also associated with Kalapur Commercial Co-operative Bank Limited as a director.</p>
<p>Name: Mrs. Tejalben A Mehta Date of appointment: May 18, 2023 Designation: Non-executive independent director DIN: 10125072</p>	<p>Qualifications: M.Pharm, Ph.D (Pharmaceutical sciences)</p> <p>Experience: Mrs. Tejalben A Mehta has experience working at universities and institutions. She is presently working in various capacities in Nirma University.</p>
<p>Name: Mr. Shailesh V Sonara Date of appointment: June 10, 2013 Designation: Whole-time director designated as Director (Environment and safety) DIN: 06592025</p>	<p>Qualifications: B.E. (Electricals) and LL.B</p> <p>Experience: Mr. Shailesh V Sonara has vast experience in the areas of environmental laws, compliances relating to Factories Act, 1948, and other allied statutes. He has been looking after environment and safety aspects of various plants of the Acquirer for several years. He is also holding the position as an Occupier for all plants</p>

Name	Qualifications & Experience
	under different statutes as may be applicable to the Acquirer.
Name: Mr. Hiren K Patel Date of appointment: February 04, 1997 Designation: Managing director DIN: 00145149	Qualifications: Bachelor's degree in engineering, MBA Experience: Mr. Hiren K Patel has rich and varied experience in consumer goods, chemicals, cement, and healthcare industry. He is also a trustee of Nirma Education & Research Foundation, which runs Nirma University and Nirma Vidyavihar and is a member of the governing board of Nirma University. Under his guidance and leadership, the Acquirer has achieved significant growth particularly in business development and brand leverage.

- 4.1.9. As on the date of this DLOF, the Acquirer, its directors and key managerial personnel (as defined in the Companies Act, 2013) do not hold any ownership/ interest/ relationship/ Equity Shares/ voting rights in the Target Company, except for the Underlying Transaction. Further, none of the directors of the Acquirer are on the board of directors of the Target Company.
- 4.1.10. Neither the Acquirer nor any of its promoters, directors, key managerial personnel (as defined in the Companies Act, 2013) or senior management have been categorized or declared: (i) a 'wilful defaulter' by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI; or (ii) a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).
- 4.1.11. The key financial information of the Acquirer as extracted from its consolidated audited financial statements for each of the three financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, is as follows:

In INR crore, except per share data

Profit & Loss Statement	As on and for the financial year ended March 31, 2023 ⁽¹⁾	As on and for the financial year ended March 31, 2022 ⁽²⁾	As on and for the financial year ended March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Revenue from operations	11,349.48	8,963.25	7,432.26
Other Income	140.33	157.53	180.63
Total Income	11,489.81	9,120.78	7,612.89
Total Expenditure ⁽⁴⁾	9,351.17	7,420.47	5,940.99
Profit Before Depreciation and amortisation expenses, Finance Costs and Tax	2,138.64	1,700.31	1,671.90
Depreciation and amortisation expenses	663.95	877.73	595.90
Finance costs	210.61	319.08	362.44
Profit Before share in net profit/ (loss) of associate	1,264.08	503.50	713.56

Add: Share in net profit/ (loss) in associate	-	(2.95)	(2.35)
Profit Before Tax	1264.08	500.55	711.21
Provision for Tax	354.76	146.18	220.35
Profit After Tax	909.32	354.37	490.86

In INR crore, except per share data

Balance Sheet Statement	As on and for the financial year ended March 31, 2023 ⁽¹⁾	As on and for the financial year ended March 31, 2022 ⁽²⁾	As on and for the financial year ended March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Sources of funds			
Paid-up share capital	73.04	73.04	73.04
Other Equity	9120.32	8,038.07	7,610.65
Total Equity	9,193.36	8,111.11	7,683.69
Non-Current Liabilities ⁽⁵⁾	1,817.18	2,422.28	4,359.87
Current Liabilities ⁽⁶⁾	4,091.13	3,456.70	3,288.99
Total Liabilities	5,908.31	5,878.98	7,648.86
Total Equity and Liabilities	15,101.67	13,990.09	15,332.55
Uses of funds			
Total Non-Current Assets ⁽⁷⁾	9,651.76	9,433.50	11,734.26
Total Current Assets ⁽⁸⁾	5,449.91	4,556.59	3,598.29
Total Assets	15,101.67	13,990.09	15,332.55

Other Financial Data	As on and for the financial year ended March 31, 2023 ⁽¹⁾	As on and for the financial year ended March 31, 2022 ⁽²⁾	As on and for the financial year ended March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Earnings per equity share (INR)	62.25	24.26	33.60
Dividends per equity share (INR)	-	-	-
Return on net worth (%) ⁽⁹⁾	9.89	4.37	6.39
Book value per equity share (INR) ⁽¹⁰⁾	629.36	555.27	526.01

Notes:

- (1) Extracted from consolidated audited financial statements for the financial year ended March 31, 2023.
- (2) Extracted from consolidated audited financial statements for the financial year ended March 31, 2023, as the figures for the financial year ended March 31, 2022, were regrouped/ restated in the consolidated audited financial statements for the financial year ended March 31, 2023.
- (3) Extracted from consolidated audited financial statements for the financial year ended March 31, 2022, as the figures for the financial year ended March 31, 2021, were regrouped/ restated in the consolidated audited financial statements for the financial year ended March 31, 2022.
- (4) Total Expenditure includes Total Expenses less Finance Costs and Depreciation and amortization expenses.
- (5) Non-Current Liabilities includes Financial liabilities, Provisions, Deferred tax liabilities (Net) and other non-current liabilities.
- (6) Current Liabilities includes Financial liabilities, Other current liabilities, Provisions and Current tax liabilities (Net).

- (7) Total Non-Current Assets includes Property, Plant and Equipment, Right of use of Asset, Capital work-in-progress, Investment Property, Goodwill, Other Intangible assets, Financial assets and Other non-current assets.
- (8) Total Current Assets includes Inventories, Financial assets, Other current assets and Current tax Assets (Net).
- (9) Return on net worth is calculated as a percentage of Profit After Tax to Total Equity of the Acquirer.
- (10) Book value per Equity Share is calculated as Total Equity divided by total number of equity shares in the Paid-up share capital of the Acquirer.

4.1.12. The contingent liabilities and commitments of the Acquirer as on March 31, 2023, as extracted from the Acquirer's consolidated audited financial statements as on and for the financial year ended March 31, 2023, are set out below:

<i>In INR crore</i>	
Particulars	As at and for the financial year ended March 31, 2023
(i) Contingent Liabilities	
a) Claims against the Acquirer not acknowledged as debts	
i. For direct tax ⁽¹⁾	3,273.00
ii. Others	39.23
Total	3,312.23
b) Estimated amount of contracts, remaining to be executed, on capital account (Net of payment)	177.81
c) For letters of credit	272.77
d) For bank guarantee	120.64
e) Corporate guarantee of INR 28.00 crore (P.Y. INR 28 cr) given by the parent company. Liability to the extent of outstanding balance	14.82
Total	3,898.27

Notes:

- (1) The income tax department has raised demands by making various additions / disallowances. The Acquirer is contesting the demands, in appeals, at various levels. However, based on legal advice, the group does not expect any liability in this regard.
- (2) Further, please see below additional notes regarding contingent liabilities and commitments of the Acquirer extracted from the Acquirer's annual report for the financial year ended March 31, 2023:

"F. The foreign subsidiaries' shipments through the San Diego and Long Beach, California ports require a minimum annual guaranty ("MAG"). The Port of San Diego requires that the foreign subsidiary ship a minimum amount of tons at a fixed wharfage charge through the port on an annual basis through expiration of the agreement. The Port of Long Beach requires that the foreign subsidiaries ship an annual minimum tonnage through the port at the basis rates. The San Diego port agreement is currently in a hold over period. The foreign subsidiaries intends to remain in San Diego for at least another 20 years if it can successfully renew its agreement with the Port of San Diego over such period. The Long Beach port agreement expires in December 2023 with an unfulfilled requirement of Rs. 4.82 crore. For the San Diego port, the foreign subsidiaries recorded Rs. 5.72 crore and Rs. 5.42 crore in unfulfilled MAG commitments as of March 31, 2023 and 2022, respectively, which are included in Accounts payable. Future MAG commitments based on the lease periods noted above on the San Diego and Long Beach ports through the respective contract expiration dates are Rs. 95.77 crore and Rs. 31.45 crore respectively.

G. The foreign subsidiaries have various agreements with customers to sell specified amounts of

sodium sulfate, soda ash, salt, and boron products over a period of 1 to 3 years at fixed sales prices and minimum quantities. Management does not anticipate any significant losses from these contracts.

H. As of March 31, 2017, the foreign subsidiaries have entered into supply contracts to purchase coal and as of March 31, 2023, it has entered into supply contracts to purchase natural gas. The purchase commitments have been for amounts to be consumed within the normal production process, and thus, the foreign subsidiaries have determined that these contracts meet normal purchases and sales exceptions. As such, these contracts have been excluded from recognition within these financial statements until the actual contracts are physically settled. The purchase commitments for coal are with two suppliers and one supplier for natural gas and require the foreign subsidiary to purchase a minimum usage. Future minimum purchases remaining under the coal agreement are Rs. 255.17 crore through December 31, 2024. Future minimum purchases remaining under the gas agreement are Rs. 62.89 crore through March 31, 2026.

I. The foreign subsidiaries are self insured for certain employee health benefits (Rs. 2.30 crore annually per employee with no annual aggregate) and workers' compensation (Rs. 6.17 crore per accident). Self insurance costs are accrued based upon the aggregate of the liability for reported claims and an estimated liability for claims incurred but not reported.

At March 31, 2023 and 2022, the foreign subsidiaries recorded a liability of Rs. 11.37 crore and Rs. 12.02 crore respectively, for self-insured medical costs. At March 31, 2023 and 2022, the foreign subsidiaries recorded a liability of Rs. 35.15 crore and Rs. 31.51 crore, respectively, for self-insured worker's compensation costs.

J. A substantial portion of the land used in the foreign subsidiaries operations in Searles Valley, California is owned by the U.S. government. The foreign subsidiaries pays a royalty to the U.S. government of 5% on the net sales value of the minerals extracted from government land. The U.S. government reduced the royalty rate for Soda Ash products from 5% to 2% for a 10 year period starting on January 1, 2021. The leases generally have a term of 10 years with preferential renewal options. Royalty expense included in Cost of goods sold-products was Rs. 48.07 crore and Rs. 39.56 crore, for the years ended March 31, 2023 and 2022, respectively.

K. In the ordinary course of business, the foreign subsidiary is involved in various legal and administrative proceedings. The foreign subsidiary establishes reserves for specific legal matters when it determines that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable. The foreign subsidiary is currently in litigation with the Indian Wells Groundwater Authority "IWGA" over the IWGA's replenishment fee. On 1st January 2015 California enacted the Sustainable Groundwater Management Act due to a severe multi-year drought in California and a growing understanding the groundwater was being pumped faster than it was being replenished. The IWGA was established under the SGMA and created a Groundwater Sustainability Plan "GSP" on 16th January 2020. Under the GSP the IWGA set up a significant replenishment fee based on water consumption. The foreign subsidiary is challenging the replenishment fee based the foreign subsidiary's belief it has prescriptive water rights not subject to the IWGA's replenishment fee. The foreign subsidiary does continue to accrue for the replenishment fee and late fees. The foreign subsidiary has accrued Rs. 97.85 crore. and Rs. 48.71 crore as of 31st March 2023 and 2022 respectively, classified in Accounts payable.

L. The group has reviewed all its pending litigations and proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The group does not expect the outcome of these proceedings to have materially adverse effect on its financial position. The group does not expect any reimbursements in respect of the above contingent liabilities.

M. At March 31, 2023 and 2022, the foreign subsidiary recorded accruals Rs. 22.33 crore and Rs. 20.58 crore respectively for future costs associated with environmental matters. The foreign subsidiary recorded accruals of Rs. 117.93 crore for future CO2 emissions to be purchased to comply with the state of California regulations as of March 31, 2023."

4.1.13. The Acquirer is in compliance with the corporate governance requirements under the SEBI (LODR) Regulations, in relation to the non-convertible debentures of the Acquirer listed on NSE. The Company Secretary and Compliance Officer of the Acquirer is Mr. Paresh Sheth (e-mail: psheth@nirma.co.in).

5. DETAILS OF THE SELLER

5.1. The Seller, i.e., Glenmark Pharmaceuticals Limited, was incorporated on November 18, 1977, in the name of “Glenmark Pharmaceuticals Private Limited”. The Seller was a “deemed public company” under the erstwhile companies’ legislation from July 01, 1990, until October 04, 1991. The name of the Seller was changed to “Glenmark Pharmaceuticals Limited” on January 12, 1996, pursuant to its conversion into a public limited company. The details of Seller have been set out hereunder:

Nature of Entity/ Individual	Registered Office/ Residential Address	Part of promoter/ promoter group of the Target Company	Name of the Group	Name of the stock exchanges where its shares are listed	Equity Shares held before entering into the SPA	Equity Shares held after completion of the Underlying Transaction
Public listed company	B/2, Mahalaxmi Chambers, 22 Bhulabhai Desai Road, Mumbai – 400 026	Yes	Glenmark Group	BSE (Scrip Code: 532296) and NSE (Symbol: GLENMARK)	10,15,04,950 Equity Shares constituting 82.67% of the Voting Share Capital	96,09,571 Equity Shares constituting 7.83% of the Voting Share Capital

5.2. The Seller is not prohibited by SEBI from dealing in securities or accessing capital markets pursuant to any directions issued under Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.

5.3. Pursuant to the consummation of the Underlying Transaction (as defined below), the Seller along with the other member of the promoter group of the Target Company intend to be reclassified as public shareholders in accordance with the procedures contained in the SEBI (LODR) Regulations.

6. BACKGROUND OF THE TARGET COMPANY

6.1. The Target Company is a public company limited by shares. It was incorporated on June 23, 2011, as a private limited company under the provisions of the Companies Act, 1956 in the name of “Zorg Laboratories Private Limited”. The name of the Target Company was changed to “Glenmark Life Sciences Private Limited” on August 10, 2018, and to “Glenmark Life Sciences Limited” on August 28, 2018, pursuant to its conversion into a public limited company.

6.2. The registered office of the Target Company is located at Plot No 170-172, Chandramouli Industrial Estate, Mohol Bazarpeth, Solapur – 413 213, Maharashtra, India. The CIN of the Target Company is L74900PN2011PLC139963.

6.3. The Target Company is primarily engaged in the business of: (a) development, manufacturing, co-marketing and sale of active pharmaceutical ingredients and

intermediaries; and (b) contract development and manufacturing. The Target Company's manufacturing facilities are located at Ankleshwar, Gujarat; Dahej, Gujarat; Mohol, Maharashtra and Kurkumbh, Maharashtra and research and development facilities are located at Mahape, Maharashtra; Ankleshwar, Gujarat and Dahej, Gujarat in India.

6.4. The total authorised share capital of the Target Company is INR 46,00,00,000/- (Indian Rupees forty six crore only) comprising of 20,00,00,000 (twenty crore) Equity Shares having a face value of INR 2/- (Indian Rupees two only) each aggregating to INR 40,00,00,000/- (Indian Rupees forty crore only) and 6,00,000 (six lakh) cumulative convertible preference shares of INR 100/- (Indian Rupees one hundred only) each aggregating to INR 6,00,00,000/- (Indian Rupees six crore only).

6.5. As on the date of this DLOF, the Voting Share Capital is as follows:

Particulars	Issued and paid-up Equity Shares	% of Voting Share Capital
Fully paid-up Equity Shares	12,25,27,172	99.79
Partly paid-up Equity Shares	Nil	Nil
Vested ESOPs, which are exercisable into an equal number of Equity Shares	2,63,314	0.21
Voting Share Capital (Total)	12,27,90,486	100.00

6.6. As on the date of the DLOF, there is only one class of Equity Shares and there are no: (i) partly paid-up equity shares; (ii) Equity Shares carrying differential voting rights; and/ or (iii) outstanding convertible instruments (such as depository receipts, fully convertible debentures, warrants, convertible preference shares, etc.) issued by the Target Company which are convertible into Equity Shares of the Target Company (other than the outstanding ESOPs).

6.7. No penal/ punitive actions have been taken by Stock Exchanges against the Target Company.

6.8. The Equity Shares are listed on BSE (Scrip code: 543322) and NSE (Symbol: GLS). The ISIN of the Equity Shares is INE03Q201024. The entire issued, subscribed and paid-up share capital of the Target Company is listed on the Stock Exchanges and has not been suspended from trading by any of the Stock Exchanges. The Equity Shares of the Target Company have not been delisted from any stock exchange in India. The Equity Shares are frequently traded on NSE for the purposes of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

6.9. There have been no mergers/demergers/spin-offs involving the Target Company during the last 3 (three) years.

6.10. Names, DIN, designation and date of appointment of the directors on the board of directors of the Target Company, are as follows:

Name	Director Identification Number (DIN)	Date of Appointment	Designation
Mr. Glenn Saldanha	00050607	July 06, 2018	Chairperson and non-executive non-independent director

Name	Director Identification Number (DIN)	Date of Appointment	Designation
Mr. V.S. Mani	01082878	July 06, 2018	Non-executive non-independent director
Mr. Yasir Rawjee	01965174	August 13, 2019	Managing director and Chief Executive Officer
Mr. Vinod Naik	03635487	October 21, 2022	Executive director
Mr. Sridhar Gorthi	00035824	October 30, 2020	Non-executive independent director
Mrs. Manju Agarwal	06921105	October 30, 2020	Non-executive independent director
Mr. Taruvai Laxminarayanan Easwar	03135959	January 08, 2021	Non-executive independent director
Ms. Gita Nayyar	07128438	February 17, 2021	Non-executive independent director

- 6.11. As on the date of this DLOF, there are no directors representing the Acquirer and none of the directors of the Acquirer have been appointed as directors on the board of directors of the Target Company.
- 6.12. The key financial information of the Target Company as extracted from its audited financial statements for each of the three financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, is as follows:

In INR crore, except per share data

Profit & Loss Statement	As on and for the financial year ended March 31, 2023 ⁽¹⁾	As on and for the financial year ended March 31, 2022 ⁽²⁾	As on and for the financial year ended March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Revenue from operations	2,161.22	2,123.21	1,885.17
Other Income	28.96	14.70	0.81
Total Income	2,190.18	2,137.92	1,885.98
Total Expenditure ⁽⁴⁾	1,518.93	1,507.15	1,294.09
Profit Before Depreciation and amortisation expenses, Finance Costs and Tax	671.25	630.76	591.89
Depreciation and amortisation expenses	42.09	37.88	33.39
Finance Costs	0.55	27.96	87.55
Profit Before Tax	628.61	564.93	470.94
Provision for Tax	161.65	146.20	119.36
Profit After Tax	466.96	418.72	351.58

In INR crore, except per share data

Balance Sheet Statement	As on and for the financial year ended March 31, 2023 ⁽¹⁾	As on and for the financial year ended March 31, 2022 ⁽²⁾	As on and for the financial year ended March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Sources of funds			
Paid-up share capital	24.51	24.51	1.96
Other Equity	2,113.70	2,029.81	750.79
Total Equity	2,138.21	2,054.31	752.75
Non-Current Liabilities ⁽⁵⁾	59.53	32.70	22.89
Current Liabilities ⁽⁶⁾	504.41	384.00	1,221.44
Total Liabilities	563.94	416.70	1,244.33
Total Equity and Liabilities	2,702.15	2,471.01	1,997.08
Uses of funds			
Total Non-Current Assets ⁽⁷⁾	851.81	706.42	598.03
Total Current Assets ⁽⁸⁾	1,850.34	1,764.58	1,399.04
Total Assets	2,702.15	2,471.01	1,997.08

Other Financial Data	As on and for the financial year ended March 31, 2023 ⁽¹⁾	As on and for the financial year ended March 31, 2022 ⁽²⁾	As on and for the financial year ended March 31, 2021 ⁽³⁾
	(Audited)	(Audited)	(Audited)
Earnings per equity share (INR)	38.11	35.63	32.61
Dividends per equity share (INR) ⁽¹¹⁾	21.00	21.00	-
Return on net worth (%) ⁽⁹⁾	21.84	20.38	46.71
Book value per equity share (INR) ⁽¹⁰⁾	174.51	167.66	768.07

Notes:

- (1) Extracted from audited financial statements for the financial year ended March 31, 2023.
- (2) Extracted from audited financial statements for the financial year ended March 31, 2023, as the figures for the financial year ended March 31, 2022, were regrouped/ restated in the audited financial statements for the financial year ended March 31, 2023.
- (3) Extracted from audited financial statements for the financial year ended March 31, 2022, as the figures for the financial year ended March 31, 2021, were regrouped/ restated in the audited financial statements for the financial year ended March 31, 2022.
- (4) Total Expenditure includes Total Expenses less Finance Costs and Depreciation and amortization expenses.
- (5) Non-Current Liabilities includes Financial Liabilities and Deferred tax liabilities (net).
- (6) Current Liabilities includes Financial Liabilities, Other current liabilities, Provisions and Income tax liabilities (net).
- (7) Total Non-Current Assets includes Property, Plant and Equipment Capital work-in-progress, Intangible Assets, Financial Assets, Income Tax Assets (Net) and Other non-current assets.
- (8) Total Current Assets includes Inventories, Financial Assets and Other current assets.
- (9) Return on net worth is calculated as a percentage of Profit After Tax to Total Equity of the Target Company.
- (10) Book value per Equity Share is calculated as Total Equity divided by total number of equity shares in the Paid-up share capital for the respective financial year of the Target Company.
- (11) Dividend includes interim and final dividend.

6.13. The pre and post Offer shareholding pattern of the Target Company as on June 30, 2023, assuming full acceptances is as provided below:

Shareholders' category		Shareholding and voting rights prior to the agreement/ acquisition and offer		Shares/voting rights agreed to be acquired which triggered off the SEBI (SAST) Regulation		Shares/voting rights to be acquired in the open offer (assuming full acceptance)		Shares/voting rights after the acquisition and offer	
		(A)		(B)		(C)		(A)+(B)+(C) = (D)	
		No. of Equity Shares	% ⁽¹⁾	No. of Equity Shares	% ⁽¹⁾	No. of Equity Shares	% ⁽¹⁾	No. of Equity Shares	% ⁽¹⁾
1	Promoters/ Promoter group								
A	Parties to the agreement, if any	10,15,04,950	82.67	(9,18,95,379)	(74.84)	-	-	96,09,571	7.83
B	Promoters other than (A) above	7,800	0.01	-	-	-	-	7,800	0.01
	Total 1 (1A+1B)	10,15,12,750	82.67	(9,18,95,379)	(74.84)			96,17,371	7.83
2	Acquirer								
A	Acquirer ⁽²⁾	-	-	9,18,95,379	74.84	2,12,77,736	17.33	11,31,73,115	92.17
	Total 2 (2A)	-	-	9,18,95,379	74.84	2,12,77,736	17.33	11,31,73,115	92.17
3	Parties to agreement (other than 1A or 2)	-	-	-	-	-	-	-	-
4	Public⁽²⁾⁽³⁾ (other than 1, 2 or 3)								
A	MFs/FPIs/Banks/ AIFs	47,16,644	3.84	-	-	(2,12,77,736)	(17.33)	0	0
B	Others	1,62,97,778	13.27	-	-				
C	Vested ESOPs	2,63,314	0.21	-	-				
	Total 4 (A+B)	2,12,77,736	17.33	-	-	(2,12,77,736)	(17.33)	0	0
	Grand Total (1+2+3+4)	12,27,90,486	100.00	-	-	-	-	12,27,90,486	100.00

Notes:

- (1) Calculated as a percentage of the Voting Share Capital.
- (2) Pursuant to the Underlying Transaction and the Open Offer, the Acquirer will become the promoter of the Target Company. Further, pursuant to completion of this Open Offer, the shareholding of the public shareholders in the Target Company is likely to be below the minimum public shareholding requirement as per Rule 19A of the SCRR read with SEBI (LODR) Regulations. The Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time.
- (3) The number of shareholders in the "public category" as on June 30, 2023, is 2,08,265.

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1. Justification of Offer Price

- 7.1.1. The Equity Shares of the Target Company are listed on BSE (Scrip code: 543322) and NSE (Symbol: GLS). The ISIN of the Equity Shares is INE03Q201024.

7.1.2. The trading turnover in the Equity Shares, based on the trading volumes on the Stock Exchanges during the twelve calendar months prior to the calendar month of the PA, i.e., from September 01, 2022, to August 31, 2023 (“**Relevant Period**”), is as given below:

Stock exchange	Total traded volumes during the Relevant Period (“A”)	Total number of Equity Shares during the Relevant Period (“B”)	Trading turnover % (A/B)
BSE	42,31,116	12,25,27,172	3.45
NSE	3,83,41,198	12,25,27,172	31.29

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

7.1.3. Based on the above, the Equity Shares are frequently traded on NSE for the purposes of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

7.1.4. The Offer Price of INR 631.20/- (Indian Rupees six hundred and thirty one and Paise twenty only) per Equity Share has been determined in terms of Regulations 8(1) and 8(2) of the SEBI (SAST) Regulations, being the highest of the following parameters:

Sr. No.	Details	Price
(a)	The highest negotiated price per Equity Share of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer i.e., the price per Equity Share under the SPA	INR 615.00/-
(b)	The volume-weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of the PA	Not applicable
(c)	The highest price paid or payable per Equity Share for any acquisition, whether by the Acquirer, during the twenty-six weeks immediately preceding the date of the PA	Not applicable
(d)	The volume-weighted average market price per Equity Share for a period of 60 (sixty) trading days immediately preceding the date of the PA as traded on NSE, being the stock exchange where the maximum volume of trading in the Equity Shares was recorded during such period, and such shares being frequently traded	INR 631.20/-
(e)	Where the shares are not frequently traded, the price determined by the acquirer and the manager taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	Not applicable ⁽¹⁾
(f)	The per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, if applicable	Not applicable ⁽²⁾

Source: Certificate dated September 21, 2023, issued by Hemanshu Shah & Co., Chartered Accountants (FRN: 122439W) (Hemanshu C Shah, Partner, membership no.: 36441).

Notes:

- (1) Not applicable as the Equity Shares are frequently traded.
- (2) Not applicable since the acquisition is not an indirect acquisition.

7.1.5. In view of the parameters considered and presented in the table in paragraph 7.1.4 above, the minimum offer price per Equity Share under Regulation 8(2) of the SEBI (SAST) Regulations is the highest of above parameters, i.e., INR 631.20/- (Indian Rupees six hundred and thirty one and Paise twenty only) per Equity Share. Accordingly, the Offer Price is justified in terms of the SEBI (SAST) Regulations.

- 7.1.6. As on the date of this DLOF, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters in terms of Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be adjusted by the Acquirer, in consultation with the Manager, in the event of any corporate action(s) such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of dividend, de-mergers, reduction of capital, etc. where the record date for effecting such corporate action(s) falls prior to the 3rd (third) Working Day before the commencement of the Tendering Period, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.
- 7.1.7. Further, the Target Company *vide* its disclosure to the Stock Exchanges dated September 21, 2023, has announced that its board of directors may consider declaring an interim dividend of INR 22.50/- (Indian Rupees twenty two and Paise fifty only) per Equity Share for financial year 2023-24, after taking into account various factors that it deems relevant. The Target Company *vide* its disclosure dated October 04, 2023, has announced that a meeting of the board of directors will be held on October 09, 2023, to *inter alia* consider declaring an interim dividend, if any, for the financial year 2023-24. In the event a dividend is declared by the Target Company which is more than 50% (fifty-percent) higher than the average dividend per Equity Share paid during the last 3 (three) financial years preceding the date of the PA, and where the record date for such dividend falls prior to 3 (three) Working Days before the commencement of the Tendering Period, the Acquirer in consultation with the Manager to the Open Offer may make a downward adjustment to the Offer Price as a result of the dividend paid by the Target Company, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations. Please note that the dividend per Equity Share paid by the Target Company during the financial years ended March 31, 2023, is INR 21.00/- (Indian Rupees twenty one only) as interim dividend, March 31, 2022, is INR 10.50/- (Indian Rupees ten and paise fifty only) as interim dividend and INR 10.50/- (Indian Rupees ten and paise fifty only) as final dividend, and March 31, 2021 is nil.
- 7.1.8. An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be undertaken by the Acquirer at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period of this Offer, in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. Further, in the event of any acquisition of the Equity Shares by the Acquirer, during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price per Equity Share, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition, in terms of Regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirer shall not acquire any Equity Shares after the 3rd (third) Working Day before the commencement of the Tendering Period and until the expiry of the Tendering Period.
- 7.1.9. As on the date of this DLOF, there is no revision in the Offer Price or Offer Size. In the event of a revision in the Offer Price or Offer Size, the Acquirer shall: (a) make corresponding increases to the Escrow Amount in the Open Offer Escrow Account; (b) make a public announcement in the same newspapers in which this DPS has been published; and (c) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges, and the Target Company at its registered office of such revision.
- 7.1.10. If the Acquirer acquires Equity Shares of the Target Company during the period of 26 (twenty six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose shares have been accepted in the Offer, within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021, or

open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of shares of the Target Company in any form.

7.2. Financial Arrangements

- 7.2.1. The Maximum Consideration, i.e., total funding requirement for the Open Offer assuming full acceptance of the Offer, is INR 1343,05,06,963.20/- (Indian Rupees one thousand three hundred and forty three crore five lakh six thousand nine hundred and sixty three and Paise twenty only).
- 7.2.2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer and the Manager have entered into the Escrow Agreement dated September 22, 2023 with the Escrow Agent, i.e., Kotak Mahindra Bank Limited (having its registered office at 2nd Floor, 27BKC, Plot No. C-27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 and acting through its branch located at 5C/II, Ground Floor Mittal Court 224, Nariman Point, Mumbai - 400021 Maharashtra, India), and the Acquirer has created an Open Offer Escrow Account named “Escrow Account-Nirma Ltd-Open Offer” with the Escrow Agent.
- 7.2.3. By way of security for performance by the Acquirer of their obligations under the SEBI (SAST) Regulations, it has deposited INR 209,31,00,000/- (Indian Rupees two hundred and nine crore thirty one lakh only) in the Open Offer Escrow Account. The amount deposited in the Open Offer Escrow Account is in compliance with the requirements of deposit of escrow amount as per Regulation 17 of the SEBI (SAST) Regulations i.e., 25% of the first INR 500,00,00,000/- (Indian Rupees five hundred crore only) of the Maximum Consideration and 10% of the remainder of the Maximum Consideration. The cash deposit has been confirmed by the Escrow Agent by way of a confirmation letter dated September 25, 2023. Further, fixed deposits have been created against the aforesaid Escrow Amount.
- 7.2.4. The Acquirer has authorized the Manager to operate and realize the value of the Escrow Account as per the provisions of the SEBI (SAST) Regulations.
- 7.2.5. The Escrow Agent is neither an associate company nor a group company of the Acquirer or the Target Company.
- 7.2.6. The Acquirer has earmarked a portion of its funds and investments in mutual funds aggregating to INR 1803,92,24,513/- (Indian Rupees one thousand eight hundred and three crore ninety two lakh twenty four thousand five hundred and thirteen only), in accordance with Regulation 25(1) of the SEBI (SAST) Regulations. The Acquirer has confirmed that it has adequate and firm financial resources to fulfil the obligations under the Open Offer and has made firm financial arrangements for implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The source of funds for the Acquirer is its internal resources.
- 7.2.7. Hemanshu Shah & Co., Chartered Accountants (FRN: 122439W), having its office at A/46, 3rd floor, Nobles, Opp. Nehru Bridge, Ashram Road, Ahmedabad – 380 009, Gujarat, India, Tel No: 079 2658 4250 (Hemanshu C Shah, Partner, membership no.: 36441), has vide its certificate dated September 21, 2023, certified that the Acquirer has adequate and firm financial resources through verifiable means to fulfill their obligations under this Offer.
- 7.2.8. Based on the above, the Manager is satisfied that firm arrangements have been put in place by the Acquirer to fulfill its obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

7.2.9. In case of any upward revision in the Offer Price or the Offer Size, a corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer, in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

8. TERMS AND CONDITIONS OF THE OFFER

8.1. Operational Terms and Conditions

8.1.1. The Offer is being made by the Acquirer to: (a) all the Public Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (b) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on the Identified Date; and (c) those persons who acquire the Equity Shares any time prior to the Offer Closing Date but who are not the registered Public Shareholders. The LOF shall be sent to all Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company and the records of the respective Depositories on the Identified Date.

8.1.2. The Acquirer is making this Offer to all Public Shareholders to acquire up to 2,12,77,736 Equity Shares, constituting 17.33% of the Voting Share Capital of the Target Company, subject to the terms and conditions mentioned in the PA, DPS and the LOF.

8.1.3. In terms of the indicative schedule of major activities, the Tendering Period for the Offer shall commence on Thursday, November 16, 2023, and close on Thursday, November 30, 2023.

8.1.4. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholders of the Target Company. The Public Shareholders may tender their Equity Shares, in dematerialized form or physical form, in the Offer at any time during the Tendering Period. Subject to the receipt of the statutory or other approvals as specified in paragraph 8.4 (*Statutory and Other Approvals*) of this DLOF, the Acquirer has up to 10 (ten) Working Days from the Offer Closing Date to pay the consideration to the Public Shareholders whose Equity Shares are accepted in the Open Offer.

8.1.5. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one) only. Public Shareholders can participate in the Offer by offering their shareholding in whole or in part.

8.1.6. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that they have good and valid title on the Equity Shares. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends and rights to participate in, bonus and rights issues, if any, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.

8.1.7. The acceptance must be unconditional, absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected without assigning any reason whatsoever. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

8.1.8. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period or thereafter.

- 8.1.9. This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19 of the SEBI (SAST) Regulations. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 8.1.10. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer. All the Equity Shares validly tendered under this Offer will be acquired by the Acquirer in accordance with the terms and conditions set forth in the LOF, to the extent of the Offer Size.
- 8.1.11. Copies of PA and DPS are available and copies of the DLOF and the LOF (including Form of Acceptance) are expected to be available on the website of SEBI at www.sebi.gov.in.
- 8.1.12. The Identified Date for this Offer as per the schedule of activities is Wednesday, November 01, 2023. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all the Public Shareholders (even if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer.
- 8.1.13. The LOF shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company on the Identified Date. Accidental omission to dispatch the LOF to any Public Shareholder to whom this Offer has been made or non-receipt of the LOF by any such Public Shareholder shall not invalidate this Offer in manner whatsoever. In case of non-receipt of the LOF, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the LOF and the Form of Acceptance from the website of the Registrar to the Offer www.kfintech.com or the Stock Exchanges (www.bseindia.com; www.nseindia.com).
- 8.1.14. The instructions, authorizations and provisions contained in the Form of Acceptance constitute an integral part of the terms of the Open Offer. The Public Shareholders can write to the Registrar to the Offer/Manager to the Offer requesting for the Letter of Offer along with the Form of Acceptance and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the date of the Closure of the Tendering Period. Alternatively, the Letter of Offer along with the Form of Acceptance will also be available at SEBI's website, www.sebi.gov.in, and the Public Shareholders can also apply by downloading such forms from the website.
- 8.1.15. Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/restriction from other statutory authorities wherein the Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected if directions/orders are passed regarding the free transferability of such Equity Shares tendered under the Open Offer prior to the date of closure of the Tendering Period.
- 8.1.16. The Acquirer, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 8.1.17. The Acquirer reserves the right to revise the Offer Price and/or the Offer Size at any time prior to the commencement of 1 (one) Working Day before the commencement of the Tendering Period, in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of a revision in the Offer Price or Offer Size, the Acquirer shall: (a) make corresponding increases to the Escrow Amount in the Open Offer Escrow Account; (b) make a public announcement in the same newspapers in which the DPS has been published; and (c)

simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges, and the Target Company at its registered office of such revision. In case of any revision of the Offer Price, the Acquirer will pay such revised price for all the Equity Shares validly tendered in the Open Offer and accepted under the Open Offer in accordance with the terms of the LOF.

8.2. **Locked-in Equity Shares**

Locked-in Equity Shares held by Public Shareholders, if any, may be tendered in the Open Offer and transferred to the Acquirer subject to the continuation of the residual lock-in period in the hands of the Acquirer, as may be permitted under applicable law. The Manager shall ensure that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.

8.3. **Eligibility for accepting the Offer**

8.3.1. All Public Shareholders, registered or unregistered, who hold Equity Shares at any time before the Offer Closing Date are eligible to tender such Equity Shares in this Open Offer (subject to the approvals that they may need to obtain as stated in paragraph 8.4 (*Statutory and Other Approvals*) of this DLOF).

8.3.2. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date i.e., the date falling on the 10th (tenth) Working Day prior to the commencement of Tendering Period, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the LOF, may also participate in this Open Offer. No indemnity shall be required from unregistered shareholders.

8.3.3. The acceptance of this Open Offer by Public Shareholders must be absolute and unqualified. Any acceptance of this Open Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever. Incomplete applications, including non-submission of necessary enclosures, if any, are liable to be rejected. Accidental omission to send LOF to any person to whom the Offer is made or the non-receipt or delayed receipt of the LOF by any such person will not invalidate the Offer in any way.

8.3.4. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.

8.4. **Statutory and Other Approvals**

8.4.1. As on the date of the DLOF, to the best of the knowledge of the Acquirer, there are no statutory approvals required to acquire the Equity Shares that are validly tendered pursuant to this Offer and/or to complete the Underlying Transaction, except the Required Statutory Approval (i.e. the approval of the Competition Commission of India under the Competition Act, 2002, required for the consummation of the Underlying Transaction and the Open Offer). However, if any further statutory or other approval(s) becomes applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) being obtained and the Acquirer shall make necessary applications for such approvals.

8.4.2. All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender Equity Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders

of the Equity Shares who are not persons resident in India (including non-resident Indians, foreign institutional investors and foreign portfolio investors) had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender Equity Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares. Public Shareholders classified as overseas corporate bodies (“OCB”), if any, may tender the Equity Shares held by them in the Open Offer pursuant to receipt of approval from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder. Such OCBs shall approach the RBI independently to seek approval to tender the Equity Shares held by them in the Open Offer.

- 8.4.3. Subject to the receipt of the statutory and other approvals set out herein, the Acquirer shall complete payment of consideration within 10 (ten) Working Days from the closure of the tendering period to those Public Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirer in accordance with Regulation 21 of the SEBI (SAST) Regulations. Where any statutory or other approval(s) extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Open Offer.
- 8.4.4. In case of delay in receipt of any statutory or other approval(s) which may be required by the Acquirer, as per Regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied that such delay in receipt of the requisite statutory or other approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approval(s), grant an extension of time for the purpose of completion of this Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest by the Acquirer to the Public Shareholders whose Equity Shares have been accepted in the Offer, at such rate as may be prescribed by SEBI from time to time, in accordance with Regulations 18(11) and 18(11A) of the SEBI (SAST) Regulations.
- 8.4.5. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, the Acquirer shall have the right to withdraw the Open Offer, in the event that, for reasons outside the reasonable control of the Acquirer, (a) any statutory or other approvals specified in this paragraph 8.4 of this DLOF including the Required Statutory Approval or those which become applicable prior to completion of the Open Offer are finally refused and/or (b) any of the conditions precedent under the SPA as specified in paragraphs 3.1.6.1 of this DLOF are not met. In the event of such a withdrawal of the Open Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
- 8.4.6. Subject to the receipt of the statutory and other approvals, if any, the Acquirer shall complete payment of consideration within 10 (ten) Working Days from the Offer Closing Date to those Public Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 9.1. All Public Shareholders, registered or unregistered, holding Equity Shares in dematerialized form or physical form, are eligible to participate in this Offer at any time from Offer Opening Date to Offer Closing Date.

- 9.2. A tender of Equity Shares pursuant to any of the procedures described in the Letter of Offer will constitute a binding agreement between the Acquirer and the tendering holder, including the tendering holder's acceptance of the terms and conditions of the Letter of Offer.
- 9.3. Subject to paragraph 8.4 (*Statutory and Other Approvals*) of this Draft Letter of Offer, all Public Shareholders, registered or unregistered, holding Equity Shares in dematerialized form or physical form, are eligible to participate in this Offer at any time from Offer Opening Date to Offer Closing Date.
- 9.4. NSE shall be the designated stock exchange for the purpose of tendering shares in the Offer ("**Designated Stock Exchange**").
- 9.5. **Procedure for acceptance and settlement of the Offer**
- 9.5.1. The Open Offer will be implemented by the Acquirer through stock exchange mechanism made available by NSE in the form of separate window ("**Acquisition Window**") as provided under the SEBI (SAST) Regulations and SEBI's Master Circular dated February 16, 2023 bearing reference number SEBI/HO/CFD/PoD-1/P/CIR/2023/31 ("**Master Circular**").
- 9.5.2. The Open Offer is made to the Public Shareholders as defined in this Draft Letter of Offer. While the Letter of Offer along with Form of Acceptance will be sent (through electronic mode or physical mode) to all the Public Shareholders of the Target Company, whose names appear on the register of members of the Target Company and the records of the respective Depositories at the close of business hours on the Identified Date, all Public Shareholders holding Equity Shares are eligible to participate in the Open Offer at any time during the Tendering Period.
- 9.5.3. Accidental omission to send the Letter of Offer to any person to whom the Open Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Open Offer in any way.
- 9.5.4. The Acquirer has appointed DAM Capital Advisors Limited ("**Buying Broker**") as their broker for the Open Offer through whom the purchases and settlement of the Equity Shares tendered in the Open Offer shall be made. The contact details of the Buying Broker are as mentioned below:



DAM Capital Advisors Limited

Address: One BKC, Tower C, 15th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India

Telephone: +91 22 4202 2500

E-mail: rajesh@damcapital.in

Contact Person: Rajesh Tekadiwala

Website: www.damcapital.in

SEBI Registration No.: INZ000207137

Validity: Permanent

- 9.5.5. Public Shareholders who desire to tender their Equity Shares under the Offer would have to intimate their respective stock brokers ("**Selling Brokers**") within the normal trading hours of the secondary market, during the Tendering Period. The Selling Broker can enter orders for dematerialized as well as physical Equity Shares through the Acquisition Window.

- 9.5.6. Public Shareholders have to ensure that their Equity Shares are made available to their Selling Brokers in order to mark lien before the closure of the Tendering Period.
- 9.5.7. A separate Acquisition Window will be provided by NSE to facilitate the placing of orders. The Selling Broker would be required to place an order / bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of NSE. Before placing the order / bid, the Selling Broker will be required to mark lien on the tendered Equity Shares. Details of such Equity Shares marked as lien in the demat account of the Public Shareholders shall be provided by the depository to the NSE Clearing Limited ("**Clearing Corporation**").
- 9.5.8. In terms of the Master Circular, a lien shall be marked against the Equity Shares tendered in the Offer. Upon finalization of the entitlement, only the accepted quantity of Equity Shares will be debited from the demat account of the concerned Public Shareholder
- 9.5.9. The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Public Shareholders' sole risk. Public Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- 9.5.10. The Registrar to the Offer will hold in trust the Form of Acceptance, Equity Shares, and/or other documents on behalf of the Public Shareholders of the Target Company who have accepted the Offer, until the e-payments/warrants/cheques/drafts for the consideration are remitted / dispatched and unaccepted share certificate/Equity Shares, if any, are dispatched/returned to the relevant Public Shareholders.
- 9.5.11. The details of settlement number under which lien will be marked shall be informed in the issue opening circular that will be issued by NSE/Clearing Corporation, before the Offer Opening Date.
- 9.5.12. Public Shareholders can tender their shares only through a broker with whom the Public Shareholder is registered as client (KYC Compliant). In the event the Selling Broker of a shareholder is not registered with any of NSE, then the Public Shareholders can approach any NSE registered stock broker and can register themselves by using quick unique client code ("**UCC**") facility through NSE registered stock broker (after submitting all details as may be required by such NSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other NSE registered broker, Eligible Shareholders may approach Buying Broker i.e., DAM Capital Advisors Limited for guidance to place their Bids. The requirement of documents and procedures may vary from broker to broker.
- 9.5.13. The Public Shareholder approaching NSE registered stock broker (with whom he does not have an account) may have to submit following details:
- (a) In case of Public Shareholder being an individual
- (i) If Public Shareholder is registered with KYC Registration Agency ("**KRA**"): Forms required:
- A. Central Know Your Client ("**CKYC**") form including Foreign Account Tax Compliance Act ("**FATCA**"), In Person Verification ("**IPV**"), Original Seen and Verified ("**OSV**") if applicable
- B. Know Your Client ("**KYC**") form Documents required (all documents self-attested):
- Bank details (cancelled cheque)

- C. Demat details (Demat Master/Latest Demat statement)
- (ii) Forms required if Public Shareholder is not registered with KRA:
 - A. CKYC form including FATCA, IPV, OSV if applicable
 - B. KRA form
 - C. KYC form Documents required (all documents self-attested):
 - PAN card copy
 - Address Proof
 - Bank Details (cancelled cheque).
 - D. Demat Details (Demat master/Latest Demat Statement)

It may be noted that other than submission of above forms and documents, in person verification may be required.

(b) In case of Public Shareholder being a Hindu Undivided Family (“HUF”)

- (i) Forms required if Public Shareholder is registered with KRA:
 - A. CKYC form of karta including FATCA, IPV, OSV, if applicable
 - B. KYC form documents required (all documents self-attested):
 - Bank details (cancelled cheque)
 - C. Demat details (Demat Master/Latest Demat statement)
- (ii) Forms required if Public Shareholder is not registered with KRA:
 - A. CKYC form of KARTA including FATCA, IPV, OSV if applicable
 - B. KRA form
 - C. Know Your Client (KYC) form Documents required (all documents self-attested):
 - PAN card copy of HUF & karta
 - Address proof of HUF & karta
 - HUF declaration
 - Bank details (cancelled cheque)
 - D. Demat details (Demat master/Latest Demat statement)

It may be noted that other than submission of above forms and documents, in person verification may be required.

(c) In case of Public Shareholder being other than Individual and HUF:

- (i) Forms required if Public Shareholder is KRA registered:
 - A. Know Your Client (KYC) form Documents required (all documents certified true copy)
 - Bank details (cancelled cheque)
 - B. Demat details (Demat master/Latest Demat statement)
 - C. FATCA, IPV, OSV if applicable
 - D. Latest list of directors/authorised signatories/partners/trustees
 - E. Latest shareholding pattern
 - F. Board resolution
 - G. Details of ultimate beneficial owner along with PAN card and address proof
 - H. Last 2 (two) years financial statements.
- (ii) Forms required if Public Shareholder is not KRA registered:
 - A. KRA form
 - B. KYC form Documents required (all documents certified true copy):
 - PAN card copy of company/firm/trust
 - Address proof of company/firm/trust
 - Bank details (cancelled cheque)
 - C. Demat details (Demat Master/Latest Demat statement)
 - D. FATCA, IPV, OSV if applicable

- E. Latest list of directors/authorised signatories/partners/trustees
- F. PAN card copies & address proof of directors/authorised signatories/partners/trustees
- G. Latest shareholding pattern
- H. Board resolution/partnership declaration
- I. Details of ultimate beneficial owner along with PAN card and address proof
- J. Last 2 (two) years financial statements
- K. Memorandum of association/Partnership deed/trust deed

9.5.14. It may be noted that, other than submission of above forms and documents, in person verification may be required. It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

9.5.15. The cumulative quantity tendered shall be displayed on the websites of NSE (www.nseindia.com) throughout the trading session at specific intervals by NSE during the Tendering Period.

9.5.16. Modification/cancellation of bids will not be allowed during the Tendering Period. Multiple bids made by single Public Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.

9.5.17. The reporting requirements for non-resident shareholders under FEMA and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Public Shareholder and/ or their Selling Broker.

9.6. **Procedure for tendering Equity Shares held in Dematerialised Form**

9.6.1. Public Shareholders who are holding Equity Shares in dematerialized form and who desire to tender their Equity Shares in dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.

9.6.2. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchanges. Before placing the bid, lien will be required to be marked on the tendered Equity Shares. Details of the Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by their respective depositories to the Clearing Corporation. In case, the Public Shareholder's demat account is held with one depository ("**Source Depository**") and the clearing member pool and Clearing Corporation account is held with another depository ("**Recipient Depository**"), the Equity Shares shall be blocked in the shareholders demat account at the Source Depository during the Tendering Period. Inter depository tender offer ("**IDT**") instructions shall be initiated by the Public Shareholders at the Source Depository to the clearing member/Clearing Corporation account at Recipient Depository. Source Depository shall block the Public Shareholders' Equity Shares (i.e., transfers from free balance to blocked balance) and send IDT message to Recipient Depository for confirming creation of lien. Details of Equity Shares blocked in the Public Shareholder's demat account shall be provided by the Recipient Depository to the Clearing Corporation

9.6.3. For custodian participant, orders for Equity Shares in dematerialized form early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either

confirm or reject orders not later than the time provided by Stock Exchanges on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

- 9.6.4. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by NSE / the Clearing Corporation, before the opening of the Offer.
- 9.6.5. The lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation.
- 9.6.6. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“TRS”) generated by the stock exchange bidding system to the Public Shareholder. TRS will contain details of order/bid submitted like bid identification number, depository participant identification, client identification number, number of Equity Shares tendered, etc. In case of non-receipt of the completed tender form and other documents, but where lien is marked on Equity Shares and a valid bid has been placed in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.
- 9.6.7. On receipt of TRS from the respective Selling Broker, the Public Shareholder has successfully placed the bid in the Open Offer. Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 9.6.8. The duly filled in delivery instruction slips (“DIS”) specifying the appropriate market type in relation to the Open Offer, and execution date along with all other details should be submitted by the Public Shareholders to their respective depository participant/Selling Broker so as to ensure that the Equity Shares are tendered in the Offer. For resident Public Shareholders holding Equity Shares in dematerialized form, submission of Form of Acceptance and TRS is not mandatory, but are advised to retain the acknowledged copies of the DIS and TRS with them until the expiry of the Offer Period. After lien is marked on Equity Shares and a valid bid is placed in the exchange bidding system, the bid shall be deemed to have been accepted for the Public Shareholders holding Equity Shares in dematerialized form.
- 9.6.9. Public Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of Equity Shares.
- 9.6.10. **The Public Shareholders holding shares in dematerialised form are not required to fill any Form of Acceptance, unless required by their respective Selling Broker.**
- 9.6.11. All non-resident Public Shareholders (i.e., Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance. The non-resident Public Shareholders holding Equity Shares in dematerialised form, directly or through their respective Selling Brokers, are required to send the Form of Acceptance along with the required documents to the Registrar to the Offer at its address given on the cover page of the LOF. The envelope should be super scribed as “Glenmark Life Sciences Limited - Open Offer”. The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance.
- 9.7. **Procedure for tendering the Equity Shares held in physical form**
 - 9.7.1. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI's press release dated December 03, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form

with a depository with effect from April 01, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations. Accordingly, the procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below.

- 9.7.2. Public Shareholders who are holding Equity Shares in physical form and intend to participate in the Open Offer will be required to approach their respective Selling Broker 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 shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place, (iii) self-attested copy of the shareholder's PAN Card, (iv) Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint Public Shareholders whose name(s) appears on the share certificate(s) in the same order in which they hold 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.
- 9.7.3. In addition, if the address of the Public Shareholder has undergone a change from the address registered in the 'Register of Members' of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: (i) valid Aadhar card, (ii) voter identity card; or (iii) passport.
- 9.7.4. Based on these documents, the Selling Broker shall place the bid on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the Acquisition Window of the Stock Exchanges. Upon placing the bid, the Selling Broker shall provide a TRS generated by the bidding system of the Stock Exchanges to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, share certificate number, distinctive number of Equity Shares tendered etc.
- 9.7.5. The Selling Broker/Public Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with the TRS either by registered post/speed post or courier or hand delivery to the Registrar to the Offer i.e., KFin Technologies Limited so as to reach them no later than the Offer Closing Date (by 5:00 p.m. Indian Standard Time). The envelope should be super scribed as "Glenmark Life Sciences Limited - Open Offer". 1 (one) copy of the TRS will be retained by the Registrar, and it will provide acknowledgement of the same to the Selling Broker/Public Shareholder. Physical share certificates and other relevant documents should not be sent to the Acquirer, the Target Company or the Manager to the Offer. The Acquirer, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.
- 9.7.6. The Public Shareholders holding Equity Shares in physical form should note that such Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares in physical form shall be subject to verification as per the SEBI (SAST)

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 the Stock Exchanges shall display such bids as 'unconfirmed physical bids'. Once the Registrar confirms the bids, they will be treated as 'confirmed bids'.

- 9.7.7. All documents as mentioned above, shall be enclosed with the Form of Acceptance, 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 Form of Acceptance instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholders; (iii) If the Public Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance and Form SH-4 does not match as per the specimen signature recorded with Target Company/Registrar of the Target Company.
- 9.7.8. In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of having the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date.

The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance.

- 9.8. **Procedure for tendering the shares in case of non-receipt of LOF:**
- 9.8.1. All the Public Shareholders of the Target Company, holding the Equity Shares whether in dematerialised form or physical form, registered or unregistered are eligible to participate in this Open Offer at any time during the Tendering Period for this Open Offer.
- 9.8.2. Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the LOF, may also participate in this Offer. Accidental omission to send the LOF to any person to whom the Offer is made or the non-receipt or delayed receipt of the LOF by any such person will not invalidate the Offer in any way.
- 9.8.3. A Public Shareholder may participate in the Open Offer by approaching their broker/Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in the LOF and the Form of Acceptance.
- 9.8.4. The LOF along with the Form of Acceptance will be sent (through electronic mode or physical mode) to all the Public Shareholders of the Target Company as on the Identified Date. A Public Shareholder receiving the LOF along with the Form of Acceptance through electronic mode will be entitled to be furnished with a physical copy of the said documents upon receipt of requisition, if any, by e-mail at glenmark.openoffer@kfintech.com or by a letter addressed to the Registrar to the Offer. In case of non-receipt of the LOF, such Public Shareholders of the Target Company may (i) download the same from the SEBI website (www.sebi.gov.in) and can apply by using the same; or (ii) obtain a physical copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company. Alternatively, you can download the soft copy from the registrar's website www.kfintech.com.

9.8.5. Alternatively, in case of non-receipt of the LOF, Public Shareholders holding the Equity Shares may participate in the Open Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares being tendered and other relevant documents as mentioned in the LOF. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by NSE before the closure of the Tendering Period. Physical share certificates and other relevant documents should not be sent to the Acquirer, the Target Company or the Manager to the Offer.

9.9. **Acceptance of Shares**

9.9.1. Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

9.9.2. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Equity Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.

9.9.3. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1 (one) Equity Share.

9.9.4. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer 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.

9.10. **Settlement Process**

9.10.1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to NSE to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.

9.10.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market in accordance with the Master Circular. Upon finalization of the entitlement, only accepted quantity of Equity Shares will be debited from the demat account of the concerned Public Shareholder. Selling Broker(s) shall use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of the Clearing Corporation.

9.10.3. The Public Shareholders holding shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes, keep their depository participant (“DP”) account active and unblocked to successfully facilitate the tendering of the Equity Shares and to receive credit in case of return of Equity Shares due to rejection or due to prorated acceptance.

9.10.4. For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders bank account linked to the demat account. If the relevant Public Shareholder’s bank account details are not available or if the funds transfer instruction is rejected by RBI/relevant bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective Public Shareholder’s account.

- 9.10.5. 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 Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.
- 9.10.6. For Equity Shares in physical form, the funds pay-out would be given to Public Shareholder's respective Selling Broker's settlement bank accounts for onward transfer to the respective Public Shareholder's account. The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance/ rejection will be returned to the Public Shareholders directly by the Registrar to the Offer through registered post. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.
- 9.10.7. The direct credit of Equity Shares shall be given to the demat account of the Acquirer as indicated by the Buying Broker.
- 9.10.8. Once the basis of acceptance is finalised, the lien marked against unaccepted shares shall be released. Buying Broker would also issue a contract note to the Acquirer for the Equity Shares accepted under the Open Offer. Further, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of the Acquirer. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's Bank account as per the prescribed schedule.
- 9.10.9. Any Equity Shares that are: (i) subject matter of litigation; or (ii) held in abeyance or prohibited/restricted from being transferred pursuant to any pending court cases/attachment orders/restriction from other statutory authorities; are liable to be rejected unless directions/orders of an appropriate court/tribunal/statutory authority permitting the transfer of such Equity Shares are received together with the Equity Shares tendered under the Open Offer.
- 9.10.10. Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirer and the Manager accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 9.10.11. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the Public Shareholders who have accepted the Open Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulations 18 (11) and 18(11A) of the SEBI (SAST) Regulations, 2011.

10. NOTE ON TAXATION

THE SUMMARY OF THE INCOME-TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS AND JUDICIAL PRONOUNCEMENTS. GIVEN THE NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX 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.

THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY ON INCOME-TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN THE OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA AS SET OUT HEREINBELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

10.1. General:

- 10.1.1. The basis of charge of Indian Income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 01 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (the "IT Act").
- 10.1.2. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e., income which is received or deemed to be received or accrues or arises or deemed to accrue or arise in India). In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- 10.1.3. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.
- 10.1.4. Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant

provisions of the Multilateral Convention to Implement Tax Treaty related Measures to Prevent Base Erosion and Profit Shifting (“**Multilateral Instrument**” /“**MLI**”) as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of General Anti-Avoidance Rule (“**GAAR**”) and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.

- 10.1.5. The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, and corresponding withholding tax obligation based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- 10.1.6. The shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income tax authorities, reporting their income for the relevant year.
- 10.1.7. The summary of income-tax implications on tendering of listed Equity Shares on the recognised stock exchange in India is set out below. All references to Equity Shares herein refer to listed Equity Shares unless stated otherwise.
- 10.1.8. In addition to income tax, as the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to Securities Transaction Tax (“**STT**”). STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% of the value of security transacted.
- 10.1.9. All references to equity shares herein refer to listed equity shares unless stated otherwise.

10.2. **Classification of Shareholders:**

Shareholders can be classified under the following categories:

- 10.2.1. Resident Shareholders being:
 - (a) Individuals, Hindu Undivided Family (“**HUF**”), Association of Persons (“**AOP**”) and Body of Individuals (“**BOI**”)
 - (b) Others
 - (i) Company
 - (ii) Other than company
- 10.2.2. Non-Resident Shareholders being:
 - (a) Non-Resident Indians (“**NRIs**”)
 - (b) Foreign Institutional Investors (“**FIIs**”)/Foreign Portfolio Investors (“**FPIs**”)
 - (c) Others:
 - (i) Company
 - (ii) Other than company

10.3. **Classification of Income:**

- 10.3.1. Shares can be classified under the following two categories:
 - (a) Shares held as investment (Income from transfer of such shares taxable under the head “Capital Gains”)

- (b) Shares held as stock-in-trade (Income from transfer of such shares taxable under the head “Profits and Gains from Business or Profession”)
- 10.3.2. As per the current provisions of the IT Act, unless specifically exempted, gains arising from the transfer of shares may be treated either as “Capital Gains” or as “Business Income” for income-tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e., stock-in-trade). Shareholders may also refer to Circular No.6/2016 dated February 29, 2016, issued by the Central Board of Direct Taxes (CBDT) in this regard.
- 10.4. **Shares held as investment:**
- 10.4.1. As per the provisions of the IT Act, where the shares are held as investments (i.e., capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains. Capital gains in the hands of shareholders would be computed as per provisions of section 48 of the IT Act and the rate of income-tax would depend on the period of holding.
- 10.4.2. Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain/STCG” or “long-term capital gain/LTCG”:
- (a) In respect of Equity Shares held for a period less than or equal to 12 months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“STCG”).
- (b) Similarly, where Equity Shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“LTCG”).
- 10.5. **Tendering of Shares in Offer through a Recognized Stock Exchange in India:**
- Where a transaction for transfer of such Equity Shares (i.e., acceptance under the Open offer) is transacted through a Recognized Stock Exchange and is chargeable to STT, then the taxability will be as under (for all categories of shareholders):
- 10.5.1. As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding one lakh rupees will be taxed at a rate of 10 percent provided the same has been subjected to STT, upon acquisition and sale. If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by CBDT vide Notification No. 60/2018 dated October 01, 2018, in order to get benefit of taxation at 10% under Section 112A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.
- 10.5.2. LTCG that arise on shares purchased prior to February 01, 2018, shall be grandfathered for the notional gains earned on such shares till January 31, 2018, as per Section 55 of IT Act. For computing capital gains under the grandfathering regime, the cost of acquisition for the long-term capital asset acquired on or before January 31, 2018, will be the actual cost. However, if the actual cost is less than the fair market value of such asset as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

- 10.5.3. Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.
- 10.5.4. Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the Equity Shares):
- (a) LTCG will be chargeable to tax at rate of up to 20% (plus applicable surcharge and cess) in the case of a non-resident shareholder or 10% (plus applicable surcharge and cess) without indexation as per the proviso to Section 112 of the IT Act. (other than an FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act).
 - (b) In the case of FIIs (*), under Section 115AD(1)(iii) of the IT Act, income by way of LTCG arising from transfer of shares will be chargeable to tax at the rate of 10% (plus applicable surcharge and cess). Provided that in case of income arising from the transfer of long-term capital asset referred to in Section 112A, income-tax at the rate of 10% (plus applicable surcharge and cess) will be calculated on such income exceeding Rs. 1 lakh. Such capital gains would be computed without giving effect to the first and second proviso to Section 48. In other words, adjustment in respect of foreign exchange fluctuation and benefit of indexation would not be allowed while computing the capital gains.
 - (c) For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and cess) under Section 115E of the IT Act.
 - (d) For a resident shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and cess) without indexation as per the proviso to Section 112 of the IT Act.
- *The CBDT has vide Notification No. 9/2014 dated January 22, 2014, notified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (FPI) Regulations, 2014 as FII for the purpose of Section 115AD of the IT Act.
- 10.5.5. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG taxable under section 112A and section 112 of the IT Act.
- 10.5.6. Long term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.
- 10.5.7. As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @ 15% under section 111A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
- 10.5.8. In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.
- 10.5.9. Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 15%.

- 10.5.10. As per Section 70 of the IT Act, short term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
- 10.5.11. Non-resident shareholder can avail benefits of the DTAA between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed under the relevant DTAA read with MLI as may be in effect, and non-applicability of GAAR and providing and maintaining necessary information and documents as prescribed under the IT Act.
- 10.5.12. As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

10.5.13. Investment Funds

Under Section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head "Profits and gains of business or profession" would be exempt from income-tax on fulfilment of certain conditions specified therein. For this purpose, an "Investment Fund" means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

10.5.14. Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorised by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

10.6. Shares held as stock-in trade:

10.6.1. If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains from Business or Profession".

10.6.2. Resident Shareholders:

Profits of:

- (a) Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
- (b) Domestic companies having turnover or gross receipts not exceeding Rs. 400 crore in the relevant financial year as prescribed will be taxable @ 25%.
- (c) Domestic companies which have opted for concessional tax regime under Section 115BAA will be taxable at 22%.
- (d) For persons other than stated above, profits will be taxable @ 30%.

No benefit of indexation by virtue of period of holding will be available in any case.

10.6.3. Non-Resident Shareholders:

Non-resident shareholders can avail beneficial provisions of the applicable DTAA, read with the MLI, entered into between India and the respective country of which the said shareholder is tax resident, subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

10.6.4. Where DTAA provisions are not applicable:

- (a) For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.
- (b) For foreign companies, profits would be taxed in India @ 40%.
- (c) For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

No benefit of indexation by virtue of period of holding will be available in any case.

As per the current provisions of the IT Act, in addition to the above, surcharge and health and education cess are leviable for resident and non-resident shareholders.

10.6.5. Other Matters:

Further, the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders (other than resident company which has opted for concessional tax regime under Section 115BAA or Section 115BAB of the IT Act). Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India under Sections 90/90A of the IT Act and such foreign company does not have a permanent establishment in India in terms of the DTAA. In case where the said conditions are not satisfied, MAT will be applicable to the foreign company. In case of non-corporate shareholders, applicability of the provisions of Alternative Minimum Tax as per Section 115JC of the IT Act will also need to be analyzed depending on the facts of each case.

10.7. **Tax Deduction at Source:**

10.7.1. Resident Shareholders:

In absence of any specific provision under the IT Act, the Acquirer is not required to deduct tax on the consideration payable to the shareholders pursuant to Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India.

10.7.2. Non-Resident Shareholders:

(a) **In case of FPIs:**

Section 196D of the IT Act provides for specific exemption (subject to the conditions stated in the specified section read with the relevant rules) from withholding tax in case of capital gains arising in hands of FPIs. Thus, no withholding of tax is required in case of consideration payable to FPIs.

(b) In case of non-resident tax payer (other than FPIs):

- (i) Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act read with the provisions of the relevant DTAA and MLI, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard.
- (ii) However, the Acquirer will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirer to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer to the non-resident shareholders.
- (iii) Since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. The Acquirer believes that the responsibility of withholding/discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.
- (iv) In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer is entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

10.8. Remittance/Payment of Interest:

- 10.8.1. In case of interest, if any, paid by the Acquirer to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments. In the event, the Acquirer decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorisation of the interest, whether as capital gains or as other income). In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer should be indemnified.
- 10.8.2. The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

10.9. **Rate of Surcharge and Cess:**

10.9.1. As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable. Summary of the same is provided below:

10.9.2. Surcharge:

(a) In case of domestic companies:

- (i) Surcharge @ 12% is leviable where the total income exceeds Rs. 10 crore and @ 7% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.
- (ii) In case of domestic companies which are liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable.

(b) In case of companies other than domestic companies:

- (i) Surcharge @ 5% is leviable where the total income exceeds Rs. 10 crore.
- (ii) Surcharge @ 2% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore.

(c) In case of individuals, HUF, AOP, BOI:

- (i) Surcharge at the rate of 10% is leviable where the total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore.
- (ii) Surcharge at the rate of 15% is leviable where the total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore.
- (iii) Surcharge at the rate of 25% is leviable where the total income exceeds Rs. 2 crore but does not exceed Rs. 5 crore.
- (iv) Surcharge at the rate of 37% is leviable where the total income exceeds Rs. 5 crore.
- (v) However, for the purpose of income chargeable under section 111A, 112A and 115AD(1)(b) (for income chargeable to tax under the head capital gains), the surcharge rate shall not exceed 15%

(d) In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds Rs. 1 crore.

10.9.3. Cess: Health and Education Cess @ 4% is currently leviable in all cases.

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS DISCLOSURE 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. HENCE, SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

11. DOCUMENTS FOR INSPECTION

The Acquirer shall make arrangements for the following material documents to be made available for inspection by the Public Shareholders of the Target Company at Nirma House, Ashram Road, Ahmedabad – 380 009, Gujarat, India on any Working Day between 10.30 am to 3.00 pm during the Tendering Period:

11.1. Copies of the Articles and Memorandum of Association and certificate of incorporation of the Acquirer;

- 11.2. Copy of the SPA dated September 21, 2023;
- 11.3. Copies of the annual reports of the Acquirer for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021;
- 11.4. Copies of the annual reports of the Target Company for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021;
- 11.5. Copy of the certificate dated September 21, 2023, issued by Hemanshu Shah & Co., Chartered Accountants (FRN: 122439W) (Hemanshu C Shah, Partner, membership no.: 36441) certifying the adequacy of financial resources of the Acquirer to fulfil their obligations under this Offer;
- 11.6. Copy of the certificate dated September 21, 2023, issued by Hemanshu Shah & Co., Chartered Accountants (FRN: 122439W) (Hemanshu C Shah, Partner, membership no.: 36441), certifying the computation of the Offer Price;
- 11.7. Copy of the Escrow Agreement dated September 22, 2023, entered into between the Acquirer, the Escrow Agent and the Manager to the Offer;
- 11.8. Copy of the letter dated September 25, 2023, received from the Escrow Agent, confirming receipt of the requisite escrow amount in the Open Offer Escrow Account;
- 11.9. Copy of the PA dated September 21, 2023, the DPS published in the newspapers on September 28, 2023, and the offer opening public announcement;
- 11.10. Copy of the recommendation published by the committee of independent directors of the Target Company in relation to the Offer; and
- 11.11. Copy of SEBI Observation letter no. [●], dated [●], in regard to the DLOF.

12. DECLARATION BY THE ACQUIRER

- 12.1. The Acquirer and its directors, in their capacity as directors of the Acquirer, accept full responsibility for the information contained in the PA, the DPS and this DLOF (other than as specified in paragraph 12.3 below) and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations in respect of this Offer.
- 12.2. The Acquirer shall be responsible for ensuring compliance with the provisions of the SEBI (SAST) Regulations and for their obligations as laid down in the SEBI (SAST) Regulations and subsequent amendments made thereto.
- 12.3. The information pertaining to the Target Company contained in the PA, the DPS, the DLOF or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or publicly available sources or provided by the Target Company. The information pertaining to the Seller contained in the PA, the DPS the DLOF or any other advertisement/publications made in connection with the Open Offer has been obtained from the Seller. The Acquirer does not accept any responsibility with respect to any information provided in the PA, the DPS, the DLOF pertaining to the Target Company or the Seller.

For and on behalf of the Acquirer

Sd/-

Authorized Signatory

Date: October 06, 2023

Place: Ahmedabad