



4th November 2020

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001 Scrip Code: BSE – AJANTPHARM 532331	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Code: NSE AJANTPHARM EQ
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Subject: Buyback of equity shares of Ajanta Pharma Limited (the “Company”)

Dear Sir/ Madam,

This is in furtherance to our intimation dated 3rd November 2020, where we informed you that the Board of Directors of the Company (“**Board**”) approved a proposal for the buyback of 7,35,000 (Seven Lakh Thirty- Five Thousand) equity shares of Rs. 2 each representing 0.84% of the total number of equity shares in the paid-up share capital of the Company from the shareholders of the Company as on the record date i.e. 13th November 2020 on a proportionate basis under the tender offer route in accordance with provisions of the Companies Act, 2013 and Rules framed thereunder and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018, as amended (“**Buyback Regulations**”).

In compliance with Regulation 5(vii) of the Buyback Regulations, we are enclosing herewith a copy of the extract of Board resolution passed at the meeting of the Board on 3rd November 2020.

The Company will provide relevant updates in relation to the Buyback as per applicable law in due course.

You are requested to please take a note of the same.

Thanking you,

Yours faithfully,

Gaurang Shah
Digitally signed
by Gaurang Shah
Date: 2020.11.04
12:36:26 +05'30'

GAURANG SHAH

VP – Legal, Corporate Affairs & Company Secretary

Encl.: a/a

EXTRACTS OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF AJANTA PHARMA LIMITED HELD ON 3RD NOVEMBER 2020 THROUGH VIDEO CONFERENCING

“RESOLVED THAT pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the **“Companies Act”**) read with the Companies (Share Capital and Debentures) Rules, 2014, and other relevant rules made thereunder, each as amended from time to time (the **“Share Capital Rules”**) and the provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, (**“Buyback Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (**“SEBI Listing Regulations”**) (including re-enactment of the Companies Act or the rules made thereunder or the Buyback Regulations, or the SEBI Listing Regulations) and in accordance with Article 18 of the Articles of Association of the Company and subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India (**“SEBI”**), Registrar of Companies, Maharashtra at Mumbai (the **“ROC”**), Stock Exchanges and/ or other authorities, institutions or bodies (the **“Appropriate Authorities”**), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the **“Board”** which expression shall include any committee and/or officials, which the Board may constitute/authorize to exercise its powers, including the powers conferred by this resolution), hereby consents and approves the buy back by the Company of its fully paid-up equity shares of ₹ 2/- (Rupees Two only) each (**“Equity Shares”**) not exceeding 7,35,000 (Seven Lakh Thirty Five Thousand) equity shares (representing 0.84% of the total number of Equity Shares in the paid-up share capital of the Company) at a price of ₹ 1,850/- (Rupees One Thousand Eight Hundred and Fifty only) per Equity Share (the **“Buyback Offer Price”**) payable in cash for an aggregate consideration not exceeding ₹ 135,97,50,000/- (Rupees One Hundred Thirty Five Crores Ninety Seven Lakhs and Fifty Thousand only) excluding taxes payable under Income Tax Act, 1961 and expenses incurred or to be incurred for the buyback viz. brokerage costs, fees, turnover charges, taxes such as securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses and charges (the **“Buyback Offer Size”**) being 5.52% and 5.26% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2020, respectively and is within the statutory limits of 10% (Ten Percent) of the aggregate of the fully paid-up equity share capital and free reserves under the Board of Directors approval route as per the provisions of the Companies Act from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the **“tender offer”** route as prescribed under the Buyback Regulations (hereinafter referred to as the **“Buyback”**);

RESOLVED FURTHER THAT the Company may buy back Equity Shares from all the existing shareholders (including Promoters and Promoter Group) on a proportionate basis, provided that 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small Shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under the Buyback Regulations;

RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the “Streamlining the Process for Acquisition of Shares pursuant to Tender-Offers made for



Takeovers, Buy Back and Delisting of Securities” as prescribed under the SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 or such other circulars or notifications, as may be applicable and the Company shall approach the stock exchange(s), as may be required, for facilitating the same;

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations, as amended;

RESOLVED FURTHER THAT all of the shareholders of the Company, as on the record date, including the promoters and members of the promoter group, will be eligible to participate in the Buyback, except any shareholders who may be specifically prohibited under the Buyback Regulations or other applicable law;

RESOLVED FURTHER THAT Friday, 13th November, 2020 be and hereby is appointed to be the Record date for the purpose of for determining the entitlement and the names of the eligible equity shareholders/beneficial owners, to whom the letter of offer will be sent and who will be eligible to participate in the Buyback of the Company;

RESOLVED FURTHER THAT the Buyback shall be made by the Company from its current surplus and/or cash balance and / or internal accruals of the Company or by such mechanisms as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit;

RESOLVED FURTHER THAT the Company shall not buy back the locked-in Equity Shares or other specified securities, if any and non-transferable equity shares or other specified securities, if any, till the pendency of the lock-in or till the Equity Shares or other specified securities become transferable;

RESOLVED FURTHER THAT Company has complied and shall continue to comply with Section 70 of the Companies Act, 2013 and Regulation 4(x) of Buyback Regulation wherein:

- a) It shall not directly or indirectly purchase its own shares:
 - i. through any subsidiary company including its own subsidiary companies; or
 - ii. through any investment company or group of investment companies; or
- b) There are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years.
- c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act, 2013

RESOLVED FURTHER THAT confirmation is hereby made by the Board of Directors that:

- a) all Equity Shares of the Company are fully paid up;
- b) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) the Company shall not issue and allot any Equity Shares or other specified securities including by way of bonus till the date on which the payment of consideration to shareholders who have accepted the buyback offer is made;

- d) the Company shall not raise further capital for a period of one year (or such period as applicable) from the date on which the payment consideration to the shareholders who have accepted the buyback offer is made, except in discharge of its subsisting obligations.
- e) the Company shall not buy back its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- f) that the aggregate consideration for Buyback not exceeding ₹ 135,97,50,000/- (Rupees One Hundred Thirty-Five Crores Ninety-Seven Lakhs and Fifty Thousand only), does not exceed 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March, 2020 (the last audited financial statements available as on the date of the Board meeting);
- g) that the maximum number of Equity Shares proposed to be purchased under the Buyback i.e. 7,35,000 (Seven Lakh Thirty-Five Thousand) Equity Shares, does not exceed 25% of the total number of equity shares in the paid-up share capital of the Company;
- h) the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buyback shall not be more than twice the paid-up capital and free reserves, each on the standalone and consolidated basis or such other ratio as may be permissible;
- i) the Buyback shall not result in delisting of the Equity Shares from the stock exchanges;
- j) the Company shall not make any buy back offer of the Equity Shares within the period of one year reckoned from the date of closure of this Buyback;
- k) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date;
- l) the Company shall transfer from its free reserves or securities premium account and / or such sources as may be permitted by law, a sum equal to the nominal value of the Equity Shares purchased through the Buyback to the capital redemption reserve account and the details of such transfer shall be disclosed in the subsequent audited balance sheet;
- m) the Company shall not withdraw the Buyback offer after the public announcement of the offer of the Buyback is made; and
- n) the Company shall comply with the statutory and regulatory timelines in respect of the Buyback in such manner as prescribed under the Companies Act and/or the Buyback Regulations and any other applicable laws;

RESOLVED FURTHER THAT as required by Clause (x) of Schedule I under Regulation 5 of the Buyback Regulations, the Board hereby confirms that the Board of Directors have made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, the Board of Directors have formed an opinion that:

- a) Immediately following the date of this Board meeting, there will be no grounds on which the Company could be found unable to pay its debts;
- b) As regards the Company's prospects for the year immediately following the date of this Board meeting, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting; and
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company was being wound up under the provisions of the Companies Act 1956 or Companies Act, 2013 and Insolvency and Bankruptcy Code 2016, as the case may be, (including prospective and contingent liabilities).



RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their Equity Shares in the Buyback;

RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit and other documents, placed before the meeting be and is hereby approved and Mr. Yogesh Agarwal, (Managing Director) and Mr. Rajesh Agrawal, (Joint Managing Director) be and are hereby authorized to finalise and sign the same, for and on behalf of the Board, and Mr. Gaurang Shah, Company Secretary be and is hereby authorised to file the same with the RoC, SEBI and/or any other regulatory, governmental and statutory authorities, as required under applicable law;

RESOLVED FURTHER THAT the Buyback from non-resident shareholders, overseas corporate bodies (OCBs) and foreign portfolio investors (FPIs) and shareholders of foreign nationality, if any, etc. shall be subject to such approvals if, and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India under the applicable Foreign Exchange Management Act, 1999 and the rules, regulations framed there under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any;

RESOLVED FURTHER THAT as per the provisions of Section 68(8) of the Companies Act, 2013, the Company will not issue same kind of shares or other specified securities within a period of 6 months after the completion of the Buyback except by way of bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;

RESOLVED FURTHER THAT no information/ material likely to have a bearing on the decision of the investors has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation and the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to mis-statement/ misrepresentation, the Board and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013 and Buyback Regulations;

RESOLVED FURTHER THAT the Buyback is being proposed in keeping with the Company's desire to enhance overall shareholders value and the buyback would lead to reduction in total number of equity shares;

RESOLVED FURTHER THAT the approval of Board for appointment of Manager to the Buyback Offer i.e. IndusInd Bank Limited be and is hereby accorded on such terms and conditions as may be mutually agreed between the Manager to the Buyback and the Company;

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

- a) finalizing the terms of Buyback like the mechanism for the buyback, record date, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the buyback;
- b) negotiation and execution of escrow arrangement(s) as may be required in terms of the Buyback Regulations;
- c) earmarking and making arrangements for adequate source of funds for the purpose of the Buyback including arranging for bank guarantees as may be necessary for the Buyback in accordance with applicable laws;
- d) opening, operation and closure of all necessary accounts, including bank accounts, trading account, depository accounts (including escrow account), special account and authorizing persons to operate the said accounts;
- e) appointing and finalizing the terms of designated stock exchange, merchant banker, broker, escrow agent/banker, registrar, legal counsel, depository participants, compliance officer, advertising agency and such other intermediaries/agencies / person including by the payment of commission, brokerage, fee, charges, etc. and enter into agreements/letters in respect thereof;
- f) preparation, executing and filing of public announcement, the draft letter of offer/ letter of offer and any other material in relation with the Buyback with the SEBI, ROC, the stock exchanges and other Appropriate Authority;
- g) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- h) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- i) providing such confirmation and opinions as may be required in relation to the Buyback;
- j) to sign the documents as may be necessary with regards to the Buyback and use common seal of the Company wherever necessary on relevant documents required to be executed for the Buyback and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the Appropriate Authorities, Registrar of Companies, stock exchanges, and depositories;
- k) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities;
- l) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
- m) to deal with stock exchanges (including their clearing corporations), where the equity shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any further amendment thereof;
- n) to delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company;
- o) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback;



- p) to settle and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback;
- q) Carrying out incidental documentation and to prepare applications and submit them to Appropriate Authorities for their requisite approvals;
- r) to do all such acts, deeds, matters and things as they may deem fit/proper/necessary/expedient for the purpose of giving effect to this resolution for and on behalf of the Company; and
- s) delegating all or any of the authorities conferred as above to any authorized representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be suggested by the Appropriate Authorities or advisors.

RESOLVED FURTHER THAT the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members and Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions and may approve the above resolutions including by way of circular resolutions;

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

RESOLVED FURTHER THAT the Company shall, before opening of the Buyback offer, create an escrow account, either in form of bank guarantee or cash deposit or deposit of securities with appropriate margin or a combination thereof, towards security performance of its obligations as may be prescribed under the Companies Act and the Buyback Regulations and, on such terms, and conditions as the Board or the Buyback Committee thereof may deem fit;

RESOLVED FURTHER THAT nothing contained herein shall confer any right on any shareholder to offer and/ or any obligation on the Company or the Board or the Buyback Committee to buyback any shares and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such buyback, if so permissible by law;

RESOLVED FURTHER THAT the Company do maintain a register of securities bought back wherein details of Equity Shares so bought, consideration paid for the Equity Shares bought back, date of cancellation of Equity Shares and date of extinguishing and physically destroying of the Equity Shares and such other particulars as may be prescribed, shall be entered and that the Company Secretary of the Company be and is hereby authorised to authenticate the entries made in the said register;

RESOLVED FURTHER THAT the particulars of the Equity Share certificates extinguished and destroyed shall be furnished by the Company to the stock exchanges within seven days of such extinguishment or destruction of the certificates and the dematerialised Equity Shares shall be extinguished and destroyed in the manner as specified under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the bye-laws, circulars, guidelines framed thereunder, each as amended, and that the Company Secretary & Compliance Officer be and is hereby authorized to do all such acts as may be required for this purpose;



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

CERTIFIED TRUE COPY

For **AJANTA PHARMA LIMITED**

Gaurang Shah
Digitally signed
by Gaurang Shah
Date: 2020.11.03
18:08:47 +05'30'

GAURANG SHAH

VP – Legal, Corporate Affairs & Company Secretary