

LETTER OF OFFER

“THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

This Letter of Offer (*as defined below*) is being 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 AND 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 letter of offer (“**Letter of Offer**” or “**LOF**”), 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*). 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 LOF. 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 LOF.**
8. Copies of the Public Announcement (“**PA**”), the Detailed Public Statement (“**DPS**”), the Draft Letter of Offer (“**DLOF**”) are available and a copy of this LOF (including Form of Acceptance) (*as defined below*) is 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 |
|--|---|
|  DAM Capital Advisors Limited Address: One BKC, Tower C, 15 th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India Telephone: +91 22 4202 2500 E-mail: gl.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 |  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 |

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

| Sr. No. | Activity | Schedule disclosed in the DLOF (day and date) | Revised schedule ⁽¹⁾ (day and date) |
|---------|---|---|--|
| 1. | Date of the PA | Thursday, September 21, 2023 | Thursday September 21, 2023 |
| 2. | Date of publication of the DPS | Thursday, September 28, 2023 | Thursday September 28, 2023 |
| 3. | Date of filing of the DLOF with SEBI | Friday, October 06, 2023 | Friday October 06, 2023 |
| 4. | Last date for public announcement for competing offer(s) ⁽²⁾ | Friday, October 20, 2023 | Friday October 20, 2023 |
| 5. | Last date for receipt of SEBI's observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager) | Monday, October 30, 2023 | Friday, February 02, 2024 ⁽³⁾ |
| 6. | Identified Date ⁽⁴⁾ | Wednesday, November 01, 2023 | Thursday, February 01, 2024 |
| 7. | Last date by which this LOF is to be dispatched to the Public Shareholders whose names appear on the register of members on the Identified Date | Wednesday, November 08, 2023 | Friday, February 09, 2024 |
| 8. | Last date for upward revision of the Offer Price and/or Offer Size | Monday, November 13, 2023 | Tuesday, February 13, 2024 |
| 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 | Monday, November 13, 2023 | Tuesday, February 13, 2024 |
| 10. | Date of publication of Offer opening public announcement in the newspapers in which the DPS has been published | Wednesday, November 15, 2023 | Wednesday, February 14, 2024 |
| 11. | Date of commencement of the tendering period ("Offer Opening Date") | Thursday, November 16, 2023 | Thursday, February 15, 2024 |
| 12. | Date of closure of the tendering period ("Offer Closing Date") | Thursday, November 30, 2023 | Thursday, February 29, 2024 |
| 13. | Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders | Thursday, December 14, 2023 | Friday, March 15, 2024 |
| 14. | Last date for publication of post-Offer public announcement in the newspapers in which the DPS has been published | Thursday, December 21, 2023 | Friday, March 22, 2024 |

Notes:

- (1) Where last dates are mentioned for certain activities, such activities may take place on or before the respective last dates.
- (2) There is no competing offer to this Offer.
- (3) Actual date of receipt of SEBI's observations on the DLOF.
- (4) The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom this 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 LOF. The Underlying Transaction will be undertaken subject to the terms and conditions contained in the SPA. 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 (a) any statutory or other approvals 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 sub-paragraphs (f) or (g) of paragraph 3.1.6.1 of this LOF 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 any 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 LOF. 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. This 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 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. This LOF shall be sent to all Public Shareholders whose names appear on the register of members of the Target Company, at their stated address or at their registered email IDs, 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 this 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 this 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 this 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 this LOF.
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, 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 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 LOF is as of the date of this LOF 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 LOF.

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. The Equity Shares of the Target Company were listed on the Stock Exchanges on August 6, 2021. Public shareholding in the Target Company as on the date of listing of the Equity Shares on the Stock Exchanges was 17.16% (seventeen point one six percent) of its outstanding equity share capital and as on the date of the Public Announcement was 17.15% (seventeen point one five percent) of its outstanding equity share capital. The Target Company is required to increase its public shareholding in terms of the SCRR by 7.85% (seven point eight five percent) to at least 25.00% (twenty five percent) of its outstanding equity share capital, within a period of 3 (three) years from the date of listing, i.e., by August 5, 2024. As disclosed in paragraphs 3.1.3 and 5.6 of this LOF, the Current Promoters intend to be reclassified as public shareholders in accordance with the procedures contained in the SEBI (LODR) Regulations, pursuant to completion of the Underlying Transaction and the Open Offer. In view of this, the Acquirer has filed an application with SEBI on October 12, 2023, requesting SEBI to grant approval: (i) to consider the re-classification of the Current Promoters (as public shareholders of the Target Company) as a permissible method for the Target Company to satisfy the minimum public shareholding requirements; and (ii) upon re-classification of the Current Promoters as public shareholders of the Target Company, to consider their remaining shareholding in the Target Company (i.e. 7.85% (seven point eight five percent) of the Target Company's outstanding equity share capital) as part of the public shareholding in the Target Company. In the event such approval is not granted by SEBI, the Acquirer will ensure that the Target Company increases its public shareholding, to the extent mentioned above, through any of the permissible methods in compliance with applicable laws, within a period of 3 (three) years from the date of listing, i.e., by August 5, 2024. Further, pursuant to completion of this Open Offer, the Equity Shares that are tendered and accepted thereunder are likely to result in a reduction of the public shareholding in the Target Company. The Acquirer will ensure that the Target Company satisfies the minimum public shareholding requirements set out in Rule 19A of the SCRR through any of the permissible methods in compliance with applicable laws, within a period of 12 (twelve) months from the completion of the Open Offer.

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES

This LOF 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 LOF are requested to inform themselves about and to observe any such restrictions.

The Open Offer described in this LOF 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 LOF 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 LOF 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 LOF 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 LOF, all references to “Indian Rupees” or “INR” are references to the Indian Rupee(s).

In this LOF, 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 | 9 |
| 2. DISCLAIMER CLAUSE | 13 |
| 3. DETAILS OF THE OFFER | 14 |
| 4. BACKGROUND OF THE ACQUIRER | 22 |
| 5. DETAILS OF THE SELLER..... | 30 |
| 6. BACKGROUND OF THE TARGET COMPANY | 31 |
| 7. OFFER PRICE AND FINANCIAL ARRANGEMENTS..... | 38 |
| 8. TERMS AND CONDITIONS OF THE OFFER | 41 |
| 9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER..... | 45 |
| 10. NOTE ON TAXATION | 55 |
| 11. DOCUMENTS FOR INSPECTION..... | 64 |
| 12. DECLARATION BY THE ACQUIRER..... | 65 |
| FORM OF ACCEPTANCE AND SHARE TRANSFER FORM | |

1. DEFINITIONS

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|--------------------------------|--|
| 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 |
| Current Promoters | The Seller and the other member of the promoter group of the Target Company, i.e., Mr. Glenn Saldanha |
| Depositories | CDSL and NSDL |
| Designated Stock Exchange | National Stock Exchange of India Limited |
| DIN | Director Identification Number |
| DLOF/ Draft Letter of Offer | The 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 LOF |
| 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 |

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| | 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 this LOF shall be sent i.e., Thursday, February 01, 2024 |
| 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 | This Letter of Offer dated February 05, 2024, 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 | Date of closure of the Tendering Period, i.e., Thursday, February 29, 2024 |
| 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 | Date of commencement of the Tendering Period, i.e., Thursday, February 15, 2024 |

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| 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, which was granted on December 19, 2023 |
| 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 as set out in paragraph 3.1.2 of this LOF |
| 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 |

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| 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 commencing on Thursday, February 15, 2024, and closing on Thursday, February 29, 2024, 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 LOF and not specifically defined herein shall have the meaning ascribed to them in the SEBI (SAST) Regulations.*
- (2) *In this LOF, 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 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 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 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 LOF together with the PA dated September 21, 2023, the DPS that was published on September 28, 2023, and the DLOF dated October 6, 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. The delivery of this LOF does not, 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. This LOF shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company, at their stated address or at their registered email IDs, as of the Identified Date. However, receipt of the DLOF or this 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 the DLOF or this 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, the DLOF, this LOF, 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, subject to and in accordance with the terms and conditions contained in the SPA ("**Underlying Transaction**"). The price payable by the Acquirer to the Seller was 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) ("**Original Sale Consideration**"). Pursuant to the declaration of an "interim equity dividend" of INR 22.50/- (Indian Rupees twenty two and Paise fifty only) per Equity Share ("**Dividend**") by the board of directors of the Target Company on October 9, 2023 (the record date for which is October 17, 2023), the price payable by the Acquirer to the Seller stands adjusted to INR 592.50 (Indian Rupees five hundred and ninety two and Paise fifty only) per Sale Share, aggregating to INR 5444,80,12,057.50/- (Indian Rupees five thousand four hundred and forty four crore eighty lakh twelve thousand and fifty seven and Paise fifty only) ("**Sale Consideration**").
- 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 Current Promoters, i.e., 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*).

To elaborate, the Seller Warranties are customary warranties *inter alia* in relation to: (a) the Seller's authority and capacity to enter into the transaction documents and to perform its obligations thereunder; (b) the Seller being the sole legal and beneficial owner of the Equity Shares held by it; (c) the Seller not having taken any steps to enter into voluntary winding-up nor being subject to/ in receipt of notice of any statutory winding-up proceedings; (d) there being no encumbrance affecting the Sale Shares (apart from the Locked-In Shares (*as defined below*)); (e) there being no outstanding demands, notices or proceedings against the Seller under the Income Tax Act, 1961, or the Central Goods and Services Tax Act, 2017, which may adversely affect the transfer of Sale Shares; and (f) the Seller, its directors, officers and employees, being in compliance with applicable anti-corruption and money laundering laws.

Further, the Company Warranties are: (a) customary fundamental warranties *inter alia* in relation to: (i) the Target Company's authority and capacity to enter into the transaction documents and to perform its obligations thereunder; (ii) the Target Company not having taken any steps to enter into voluntary winding-up nor being subject to/ in receipt of notice of any statutory winding-up proceedings; and (iii) the current capital structure of the Target Company; and (b) customary business warranties *inter alia* in relation to: (i) the statutory registers and minutes books of the Target Company having been accurately kept and completed in all material respects in accordance with applicable law; (ii) the Target Company having made all material filings with applicable governmental authorities as required under applicable law; (iii) the accounts of the Target Company having been prepared in accordance with the applicable accounting standards and the books of accounts and financial records having been maintained in accordance with applicable law; (iv) the Target Company having obtained all material consents that are required for carrying out its business pursuant to applicable law and there being no breach of any conditions of any of the material consents; (v) the Target Company having conducted its business in material compliance with applicable laws and in accordance with its charter documents; (vi) the Target Company, its directors, officers and employees, being in compliance with applicable anti-corruption and money laundering laws; (vii) the Target Company not being a claimant, plaintiff, complainant or informant in any proceeding where the claim amount exceeds INR 5,00,00,000 (Indian Rupees five crore); (viii) there being no judgement, injunction, order or decree to which the Target Company is a party that has or may reasonably be expected to limit the right or ability of the Target

Company to carry on its business or prohibit or materially impair its business; (ix) the material contracts of the Target Company being valid and subsisting with no notice of any breach, default or invalidity having been received by the Target Company; (x) there being no indebtedness of the Target Company except for the indebtedness disclosed in its accounts; (xi) the Target Company having paid all taxes that it was required to pay under applicable law or having made adequate provision/ reserve in its accounts; (xii) the Target Company being the sole and absolute owner of its intellectual property rights as identified in the SPA; (xiii) the Target Company being in compliance in all material respects with applicable law relating to employee and labour matters; (xiv) the activities and operations with respect to the business of the Target Company having been in compliance with applicable environmental laws in all material respects; and (xv) the Target Company having maintained adequate insurance cover against all risks normally insured against by companies carrying on a similar business as required to be maintained by it under applicable law.

- (c) the Seller having procured certificates in relation to taxation matters as set out in the SPA.

To elaborate: (a) Income tax authority has issued a certificate dated November 9, 2023, to the Seller under Section 281 of Income Tax Act, 1961 confirming that there is no income-tax liability / demand pending against the Seller as of the date of the certificate; and (b) the Seller shall provide a certificate from an accounting firm in relation to any pending demands or notices under Section 81 of Central Goods and Services Tax Act, 2017 against the Seller. The procurement of the aforesaid certificates does not have any implications on the public shareholders of the Target Company.

- (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.

As on the date of this LOF, the Target Company has made the requisite applications with the following authorities:

(i) Application for change in shareholding of the Target Company with: (i) Maharashtra Industrial Development Corporation in relation to its facilities at Kurkumbh, Maharashtra, and Chincholi, Maharashtra; (ii) Gujarat Industrial Development Corporation in relation to its facility at Ankleshwar, Gujarat; (iii) Chandramouli Audyogik Sahakari Vasahat Maryadit in relation to its facilities at Mohol, Maharashtra; and (iv) Dahej SEZ Limited in relation to its facilities at Dahej, Gujarat.

(ii) Application for obtaining an extension for completing of construction with Maharashtra Industrial Development Corporation in relation to facility of the Company at Chincholi, Maharashtra.

(iii) Application for renewal of consents to operate with Gujarat Pollution Control Board in relation to its facilities at Ankleshwar, Gujarat and Dahej, Gujarat.

- (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.

The aforesaid consents have been obtained from the following lenders for the transfer of the Sale Shares under the SPA: (a) International Finance Corporation; (b) MUFG Bank Ltd. (Singapore); and (c) the agent of the arrangers/syndicate of banks led by Bank of America, N.A. for a term loan facility availed by the Seller. In relation to the proposed transaction, the loan documentation between the Seller and the above lenders requires prior consent of the lenders for (i) the divestment of more than 51% of the equity share capital in the Target by the Seller; and (ii) the Seller entering into any transaction to transfer or otherwise dispose of any assets other than in the ordinary course of business.

- (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.
- (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 Section 6(2) read with Section 6(2A) and Section 5(a)(i)(A) of the Competition Act, 2002, required for the consummation of the Underlying Transaction and the Open Offer). Pursuant to an application filed by the Acquirer (combination registration number C-2023/10/1064), the approval was granted on December 19, 2023.

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, with no separate non-compete and non-solicitation fees being payable in regard to the non-compete and non-solicit obligations. Accordingly, the existence of such obligations under the SPA does not have any impact on the Offer Price in terms of Regulation 8(7) of the SEBI (SAST) Regulations.

3.1.6.4 2,45,05,435 Equity Shares of the Target Company held by the Seller are presently locked-in upto August 2, 2024 ("**Locked-in Shares**"). The Acquirer will be acquiring such Locked-in Shares as part of the Sale Shares, under the SPA, upon becoming a new promoter of the Target Company. Such acquisition of the locked-in Shares would be undertaken in terms of Regulation 22 of the SEBI (ICDR) Regulations and the lock-in will continue with the Acquirer (with the Acquirer being ineligible to transfer the Locked-in Shares during until expiry of the lock-in period). At the time of closing, a portion of the Sale Consideration payable by the Acquirer to the Seller in regard to the 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, which will be undertaken on the basis of the net working capital, net cash and capital expenditure of the Target Company prior to closing of the Underlying Transaction, based on computations prepared by accounting firms nominated by the Seller and the Acquirer. In the event the price paid by the Acquirer for each of the Sale Shares is higher than the Offer Price, the difference between the price paid for the Sale Shares and the Offer Price shall be paid to all shareholders whose Equity Shares are acquired in the Open Offer in accordance with the SEBI (SAST) Regulations. Further, the parties had agreed that, in the event the board of directors of the Target Company considers, approves and declares an interim dividend of INR 22.50/- (Indian Rupees twenty two and Paise fifty only) per Equity Share, subject to the provisions of the Companies Act, 2013 and other applicable law, the Original Sale Consideration will stand adjusted in the manner specified in the SPA. *(Please refer to paragraph 3.1.2 of this LOF for further details regarding the Dividend that was declared by the board of directors of the Target Company on October 9, 2023, and the resultant adjustment to the Original Sale Consideration).*
- 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:
- 3.1.7.1 a trademark license amendment agreement dated September 21, 2023, amending the trademark license agreement dated April 16, 2021, executed between the Seller and the Target Company. The Seller had granted to the Target Company, a license to use the trademark 'Glenmark' and the associated logo, for use in its corporate name by way of such trademark license agreement. Pursuant to the amendment agreement, the Seller has permitted the Target Company to use the trademark 'Glenmark' for a specified transition period with effect from the closing of the Underlying Transaction in terms of the SPA;

- 3.1.7.2 a services amendment agreement dated September 21, 2023, amending the services agreement dated January 1, 2022, executed between the Seller and the Target Company. The Seller is providing certain allied services to the Target Company (such as IT support services, administrative services etc.) pursuant to the services agreement. Pursuant to the amendment agreement, the Seller and certain subsidiaries of the Seller will continue to provide such support services for a specified transition period after the date of closing of the Underlying Transaction under the SPA, including with respect to business development arrangements in overseas jurisdictions; and
- 3.1.7.3 a restated and amended API purchase and supply agreement dated September 21, 2023, amending the API purchase and supply agreement dated January 1, 2019, executed between the Seller and the Target Company. The Target Company is supplying active pharmaceutical ingredients (“APIs”) to the Seller pursuant to the said purchase and supply agreement. Pursuant to the amendment agreement, the Target Company has agreed to continue supplying APIs to the Seller and the Seller has agreed to procure APIs from the Target Company even after closing of the Underling Transaction.
- 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. The Equity Shares of the Target Company were listed on the Stock Exchanges on August 6, 2021. Public shareholding in the Target Company as on the date of listing of the Equity Shares on the Stock Exchanges was 17.16% (seventeen point one six percent) of its outstanding equity share capital and as on the date of the Public Announcement was 17.15% (seventeen point one five percent) of its outstanding equity share capital. The Target Company is required to increase its public shareholding in terms of the SCRR by 7.85% (seven point eight five percent) to at least 25.00% (twenty five percent) of its outstanding equity share capital, within a period of 3 (three) years from the date of listing, i.e., by August 5, 2024. As disclosed in paragraphs 3.1.3 and 5.6 of this LOF, the Current Promoters intend to be reclassified as public shareholders in accordance with the procedures contained in the SEBI (LODR) Regulations, pursuant to completion of the Underlying Transaction and the Open Offer. In view of this, the Acquirer has filed an application with SEBI on October 12, 2023, requesting SEBI to grant approval: (i) to consider the re-classification of the Current Promoters (as public shareholders of the Target Company) as a permissible method for the Target Company to satisfy the minimum public shareholding requirements; and (ii) upon re-classification of the Current Promoters as public shareholders of the Target Company, to consider their remaining shareholding in the Target Company (i.e. 7.85% (seven point eight five percent) of the Target Company's outstanding equity share capital) as part of the public shareholding in the Target Company. In the event such approval is not granted by SEBI, the Acquirer will ensure that the Target Company increases its public shareholding, to the extent mentioned above, through any of the permissible methods in compliance with applicable laws, within a period of 3 (three) years from the date of listing, i.e., by August 5, 2024. Further, pursuant to completion of this Open Offer, the Equity Shares that are tendered and accepted thereunder are likely to result in a reduction of the public shareholding in the Target Company. The Acquirer will ensure that the Target Company satisfies the minimum public shareholding requirements

set out in Rule 19A of the SCRR through any of the permissible methods in compliance with applicable laws, within a period of 12 (twelve) months from the completion of the Open Offer.

- 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 LOF.
- 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 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 LOF, 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 LOF 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 LOF. Further, the Acquirer shall not sell Equity Shares of the Target Company during the Open Offer period in terms of Regulation 25(4) of the SEBI (SAST) Regulations.
- 3.2.8. The Manager does not hold any Equity Shares in the Target Company as on the date of this LOF. 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.
- 3.2.9. There are no penalties or directions subsisting or proceedings pending against the Manager and the Registrar to the Offer, by SEBI or any other regulator, under the SEBI Act and the Regulations made thereunder.
- 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 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, if any, and in accordance with applicable laws, may consider disposal of or creating encumbrance over any assets or investments of the Target Company, 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, 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, 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 LOF, 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 December 31, 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 K Patel is the promoter of the Acquirer (holding a controlling stake of 58.98% in the Acquirer). The remaining 41.02% is held by the promoter group of the Acquirer. The details of the shareholders of the Acquirer are set out below:*

| Name of promoter/ member of the promoter group | Number of shares | % of shares |
|---|-------------------------|--------------------|
| Dr. Karsanbhai K Patel | 8,61,52,936 | 58.98 |

| | | |
|----------------------------|---------------------|---------------|
| Shantaben Karsanbhai Patel | 100 | Negligible |
| Rakesh Karsanbhai Patel | 2,86,68,905 | 19.63 |
| Hiren Karsanbhai Patel | 2,91,45,609 | 19.95 |
| Rajalben H Patel | 9,64,280 | 0.66 |
| Keyuriben Rakeshbhai Patel | 11,43,200 | 0.78 |
| Dhruvil Hiren Patel | 100 | Negligible |
| Total | 14,60,75,130 | 100.00 |

Dr. Karsanbhai K Patel, Mr. Rakesh Karsanbhai Patel and Mr. Hiren Karsanbhai Patel may be considered to be the ultimate beneficial owners as per Rule 9 of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005.

- 4.1.5. The equity shares of the Acquirer are not listed on any stock exchange in India or abroad. Non-convertible debentures of the Acquirer were listed on NSE until their redemption on January 5, 2024.
- 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. There are no penalties or directions subsisting or proceedings pending against the Acquirer and its promoters and directors, by SEBI or any other regulator, under the SEBI Act and the regulations made thereunder.
- 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 LOF, are as follows:

| Name | Qualifications & Experience |
|---|--|
| Name: Dr. Karsanbhai K Patel Date of appointment: February 25, 1980 Designation: Chairman and non-executive director DIN: 00404099 | Qualifications: B.Sc (Chemistry), Honorary Doctorate of Humane Letters (Florida Atlantic University, USA) 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. The Government of India honoured Dr. Karsanbhai K Patel with one of the highest civilian awards, the |

| Name | Qualifications & Experience |
|---|---|
| | <p>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 Education & Research Foundation, he is also a trustee of Nima Foundation.</p> |
| <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> |

| Name | Qualifications & Experience |
|--|--|
| Name: Mr. Kaushikbhai N Patel Date of appointment: March 31, 2023 Designation: Non-executive independent director DIN: 00145086 | Qualifications: Chartered Accountant Experience: Mr. Kaushikbhai N Patel has rich and varied experience in strategy, financial planning, mergers and acquisitions, direct tax and capital markets. |
| Name: Mrs. Tejalben A Mehta Date of appointment: May 18, 2023 Designation: Non-executive independent director DIN: 10125072 | Qualifications: M.Pharm, Ph.D (Pharmaceutical sciences) Experience: Mrs. Tejalben A Mehta has experience of working at universities and institutions. She is presently working in various capacities in Nirma University. |
| Name: Mr. Shailesh V Sonara Date of appointment: June 10, 2013 Designation: Whole-time director designated as Director (Environment and safety) DIN: 06592025 | Qualifications: B.E. (Electricals) and LL.B 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 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 LOF, except for the Underlying Transaction, (a) the Acquirer, its promoters, 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; and (b) there is no direct or indirect linkages between the Acquirer and the promoters/ directors of the Target Company. None of the directors of the Acquirer are on

the board of directors of the Target Company. Further, to the best of their knowledge, the Acquirer is not aware of any direct or indirect linkages between the Acquirer and the Public Shareholders 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, and from its standalone unaudited limited reviewed financial statements for the nine months ended December 31, 2023, is as follows:

In INR crore, except per share data

| Profit & Loss Statement | As on and for the nine months ended December 31, 2023 ⁽¹⁾ | As on and for the financial year ended March 31, 2023 ⁽²⁾ | As on and for the financial year ended March 31, 2022 ⁽³⁾ | As on and for the financial year ended March 31, 2021 ⁽⁴⁾ |
|---|--|--|--|--|
| | (Standalone) (Unaudited) | (Consolidated) (Audited) | (Consolidated) (Audited) | (Consolidated) (Audited) |
| Revenue from operations | 5,468.17 | 11,349.48 | 8,963.25 | 7,432.26 |
| Other Income | 124.62 | 140.33 | 157.53 | 180.63 |
| Total Income | 5,592.79 | 11,489.81 | 9,120.78 | 7,612.89 |
| Total Expenditure ⁽⁵⁾ | 4,553.05 | 9,351.17 | 7,420.47 | 5,940.99 |
| Profit Before Depreciation and amortisation expenses, Finance Costs and Tax | 1,039.74 | 2,138.64 | 1,700.31 | 1,671.90 |
| Depreciation and amortisation expenses | 199.37 | 663.95 | 877.73 | 595.90 |
| Finance costs | 140.13 | 210.61 | 319.08 | 362.44 |
| Profit Before share in net profit/ (loss) of associate | 700.24 | 1,264.08 | 503.50 | 713.56 |
| Add: Share in net profit/ (loss) in associate | - | - | (2.95) | (2.35) |
| Profit Before Tax | 700.24 | 1264.08 | 500.55 | 711.21 |
| Provision for Tax | 180.13 | 354.76 | 146.18 | 220.35 |
| Profit After Tax | 520.11 | 909.32 | 354.37 | 490.86 |

In INR crore, except per share data

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

| Other Financial Data | As on and for the nine months ended December 31, 2023 ⁽¹⁾ | As on and for the financial year ended March 31, 2023 ⁽²⁾ | As on and for the financial year ended March 31, 2022 ⁽³⁾ | As on and for the financial year ended March 31, 2021 ⁽⁴⁾ |
|---|--|--|--|--|
| | (Standalone) (Unaudited) | (Consolidated) (Audited) | (Consolidated) (Audited) | (Consolidated) (Audited) |
| Earnings per equity share (INR) | 35.61 | 62.25 | 24.26 | 33.60 |
| Dividends per equity share (INR) | - | - | - | - |
| Return on net worth (%) ⁽¹⁰⁾ | NA | 9.89 | 4.37 | 6.39 |
| Book value per equity share (INR) ⁽¹¹⁾ | NA | 629.36 | 555.27 | 526.01 |

Notes:

- (1) Extracted from standalone unaudited limited reviewed financial statements for the nine months ended December 31, 2023.
- (2) Extracted from 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, 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.
- (4) 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,*
- (5) *Total Expenditure includes Total Expenses less Finance Costs and Depreciation and amortization expenses.*
 - (6) *Non-Current Liabilities includes Financial liabilities, Provisions, Deferred tax liabilities (Net) and other non-current liabilities.*
 - (7) *Current Liabilities includes Financial liabilities, Other current liabilities, Provisions and Current tax liabilities (Net).*
 - (8) *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.*
 - (9) *Total Current Assets includes Inventories, Financial assets, Other current assets and Current tax Assets (Net).*
 - (10) *Return on net worth is calculated as a percentage of Profit After Tax to Total Equity of the Acquirer.*
 - (11) *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 28.00 crore) 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.”

- (3) The contingent liabilities mentioned above will not have any bearing on the Acquirer’s ability to fulfil its obligations under the Open Offer. In particular, a substantial portion of the contingent liabilities pertain to demands raised by the Income Tax department which are being contested by the Acquirer, in appeals at various levels, and the Acquirer does not expect any liabilities in this regard.

- 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 which were listed on NSE until their redemption on January 5, 2024. 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 | Yes | Glenmark Group | BSE (Scrip Code: 532296) and | 10,15,04,950 Equity Shares constituting 82.67% of the | 96,09,571 Equity Shares constituting |

| | | | | | | |
|--|--|--|--|------------------------|----------------------|-----------------------------------|
| | Bhulabhai Desai Road, Mumbai – 400 026 | | | NSE (Symbol: GLENMARK) | Voting Share Capital | 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. There are no penalties or directions subsisting or proceedings pending against the promoters of the Target Company (which includes the Seller), by SEBI or any other regulator, under the SEBI Act and the Regulations made thereunder.
- 5.3. There have been no instances of non-compliances or delayed compliances by the promoters of the Target Company under Chapter V of the SEBI (SAST) Regulations.
- 5.4. The promoters of the Target Company have not 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).
- 5.5. There are no direct or indirect linkages between the promoters of the Target Company and the Public Shareholders of the Target Company.
- 5.6. 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.

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 LOF, 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 ⁽¹⁾ | 2,63,314 | 0.21 |
| Voting Share Capital (Total) | 12,27,90,486 | 100.00 |

Note:

(1) Such vested ESOPs have not been exercised as on the date of this LOF.

Apart from the vested ESOPs mentioned above, as on the date of this LOF, the following are the ESOPs granted by the Target Company which are yet to vest along with details regarding their vesting schedule:

| Date of vesting | Number of ESOPs |
|--|-----------------|
| Vesting on Jul 31, 2024 ⁽¹⁾ | 2,63,315 |
| Vesting on Jul 31, 2025 ⁽¹⁾ | 3,51,083 |
| Total | 6,14,398 |

Note:

(1) The Target Company has confirmed that vesting of such ESOPs shall not be accelerated on or before the 10th working day from the closure of the tendering period of the Open Offer.

6.6. As on the date of this LOF, 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). The Equity Shares of the Target Company are freely transferable in terms of Articles 65 to 75 of its articles of association.

6.7. The Equity Shares are listed on BSE (Scrip code: 543322) and NSE (Symbol: GLS) since August 06, 2021. 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.

- 6.8. The closing price of the Equity Shares on the date of the PA (i.e., September 21, 2023) and on the date immediately after the PA (i.e., September 22, 2023) is set out below:

| Stock Exchange | Closing price on September 21, 2023 | Closing price on September 22, 2023 |
|----------------|-------------------------------------|-------------------------------------|
| BSE | INR 627.10 | INR 645.60 |
| NSE | INR 626.20 | INR 645.00 |

- 6.9. No penal/ punitive actions have been taken by Stock Exchanges against the Target Company since its listing. The Target Company is presently compliant with the applicable listing requirements.
- 6.10. There are no penalties or directions subsisting or proceedings pending against the Target Company and its directors, by SEBI or any other regulator, under the SEBI Act and the Regulations made thereunder. Ms. Gita Nayyar, who is an independent director of the Target Company and a non-executive independent director in PNB Housing Finance Limited, was part of settlement proceedings between PNB Housing Finance Limited and SEBI. To elaborate, PNB Housing Finance Limited along with its entire board of directors (collectively, “Applicants”) filed a settlement application with SEBI on January 17, 2022, to settle, without admitting or denying the findings of fact and conclusions of law, certain alleged violations of Regulations 4 and 30 of the SEBI (LODR) Regulations. Subsequently, in May 2022, the High Powered Advisory Committee of SEBI recommended the case for settlement upon payment of INR 72,76,533 and this settlement amount was paid to SEBI on June 15, 2022. The settlement order dated July 18, 2022, bearing number SO/EFD-2/SD/413/JULY/2022 confirms that the proceedings initiated for the alleged violation are settled qua the Applicants and disposes of any proceedings that may be initiated by SEBI for the alleged defaults against the Applicants as set out therein.
- 6.11. Neither the Target Company nor any of its promoters or directors have been prohibited by SEBI from dealing in securities in terms of Section 11B of the SEBI Act or under any other regulations made under the SEBI Act.
- 6.12. Neither the Target Company nor any of its directors 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).
- 6.13. There have been no mergers/demergers/spin-offs involving the Target Company during the last 3 (three) years.
- 6.14. 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 |
| Mr. V.S. Mani | 01082878 | July 06, 2018 | Non-executive non-independent director |
| Dr. 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 |

- 6.15. As on the date of this LOF, 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.
- 6.16. There are no direct or indirect linkages between the directors of the Target Company and the Public Shareholders of the Target Company.
- 6.17. No reports have been filed in relation to the Target Company under Regulation 10(7) of the SEBI (SAST) Regulations.
- 6.18. 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, and from its unaudited limited reviewed financial statements for the nine months ended December 31, 2023, is as follows:

In INR crore, except per share data

| Profit & Loss Statement | As on and for the nine months ended December 31, 2023 ⁽¹⁾ | As on and for the financial year ended March 31, 2023 ⁽²⁾ | As on and for the financial year ended March 31, 2022 ⁽³⁾ | As on and for the financial year ended March 31, 2021 ⁽⁴⁾ |
|----------------------------------|--|--|--|--|
| | (Unaudited) | (Audited) | (Audited) | (Audited) |
| Revenue from operations | 1,746.62 | 2,161.22 | 2,123.21 | 1,885.17 |
| Other Income | 8.91 | 28.96 | 14.70 | 0.81 |
| Total Income | 1,755.53 | 2,190.18 | 2,137.92 | 1,885.98 |
| Total Expenditure ⁽⁵⁾ | 1,213.82 | 1,518.93 | 1,507.15 | 1,294.09 |

| | | | | |
|---|--------|--------|--------|--------|
| Profit Before Depreciation and amortisation expenses, Finance Costs and Tax | 541.71 | 671.25 | 630.76 | 591.89 |
| Depreciation and amortisation expenses | 38.92 | 42.09 | 37.88 | 33.39 |
| Finance Costs | 1.18 | 0.55 | 27.96 | 87.55 |
| Profit Before Tax | 501.61 | 628.61 | 564.93 | 470.94 |
| Provision for Tax | 128.66 | 161.65 | 146.20 | 119.36 |
| Profit After Tax | 372.95 | 466.96 | 418.72 | 351.58 |

In INR crore, except per share data

| Balance Sheet Statement | As on and for the nine months ended December 31, 2023 ⁽¹⁾ | As on and for the financial year ended March 31, 2023 ⁽²⁾ | As on and for the financial year ended March 31, 2022 ⁽³⁾ | As on and for the financial year ended March 31, 2021 ⁽⁴⁾ |
|---|--|--|--|--|
| | (Unaudited) | (Audited) | (Audited) | (Audited) |
| Sources of funds | | | | |
| Paid-up share capital | NA | 24.51 | 24.51 | 1.96 |
| Other Equity | NA | 2,113.70 | 2,029.81 | 750.79 |
| Total Equity | NA | 2,138.21 | 2,054.31 | 752.75 |
| Non-Current Liabilities ⁽⁶⁾ | NA | 59.53 | 32.70 | 22.89 |
| Current Liabilities ⁽⁷⁾ | NA | 504.41 | 384.00 | 1,221.44 |
| Total Liabilities | NA | 563.94 | 416.70 | 1,244.33 |
| Total Equity and Liabilities | NA | 2,702.15 | 2,471.01 | 1,997.08 |
| Uses of funds | | | | |
| Total Non-Current Assets ⁽⁸⁾ | NA | 851.81 | 706.42 | 598.03 |
| Total Current Assets ⁽⁹⁾ | NA | 1,850.34 | 1,764.58 | 1,399.04 |
| Total Assets | NA | 2,702.15 | 2,471.01 | 1,997.08 |

| Other Financial Data | As on and for the nine months ended December 31, 2023 ⁽¹⁾ | As on and for the financial year ended March 31, 2023 ⁽²⁾ | As on and for the financial year ended March 31, 2022 ⁽³⁾ | As on and for the financial year ended March 31, 2021 ⁽⁴⁾ |
|---|--|--|--|--|
| | (Unaudited) | (Audited) | (Audited) | (Audited) |
| Earnings per equity share (INR) | 30.44 | 38.11 | 35.63 | 32.61 |
| Dividends per equity share (INR) ⁽¹⁰⁾ | 22.50 | 21.00 | 21.00 | - |
| Return on net worth (%) ⁽¹¹⁾ | NA | 21.84 | 20.38 | 46.71 |
| Book value per equity share (INR) ⁽¹²⁾ | NA | 174.51 | 167.66 | 768.07 |

Notes:

- (1) *Extracted from unaudited limited reviewed financial statements for the nine months ended December 31, 2023.*
- (2) *Extracted from audited financial statements for the financial year ended March 31, 2023.*
- (3) *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.*
- (4) *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.*
- (5) *Total Expenditure includes Total Expenses less Finance Costs and Depreciation and amortization expenses.*
- (6) *Non-Current Liabilities includes Financial Liabilities and Deferred tax liabilities (net).*
- (7) *Current Liabilities includes Financial Liabilities, Other current liabilities, Provisions and Income tax liabilities (net).*
- (8) *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.*
- (9) *Total Current Assets includes Inventories, Financial Assets and Other current assets.*
- (10) *Dividend includes interim and final dividend.*
- (11) *Return on net worth is calculated as a percentage of Profit After Tax to Total Equity of the Target Company.*
- (12) *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 period of the Target Company.*

6.19. The pre and post Offer shareholding pattern of the Target Company as on December 31, 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⁾⁽³⁾ | - | - | 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) | - | - | - | - | - | - | - | - |

| 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⁾ |
| | or 2) | | | | | | | | |
| 4 | Public ⁽²⁾⁽³⁾⁽⁴⁾ (other than 1, 2 or 3) | | | | | | | | |
| A | MFs/FPIs/Banks/AIFs | 65,04,172 | 5.30 | - | - | (2,12,77,736) (17.33) | | 0 | 0 |
| B | Others | 1,45,10,250 | 11.82 | - | - | | | | |
| 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.
- (3) The Equity Shares of the Target Company were listed on the Stock Exchanges on August 6, 2021. Public shareholding in the Target Company as on the date of listing of the Equity Shares on the Stock Exchanges was 17.16% (seventeen point one six percent) of its outstanding equity share capital and as on the date of the Public Announcement was 17.15% (seventeen point one five percent) of its outstanding equity share capital. The Target Company is required to increase its public shareholding in terms of the SCRR by 7.85% (seven point eight five percent) to at least 25.00% (twenty five percent) of its outstanding equity share capital, within a period of 3 (three) years from the date of listing, i.e., by August 5, 2024. As disclosed in paragraphs 3.1.3 and 5.6 of this LOF, the Current Promoters intend to be reclassified as public shareholders in accordance with the procedures contained in the SEBI (LODR) Regulations, pursuant to completion of the Underlying Transaction and the Open Offer. In view of this, the Acquirer has filed an application with SEBI on October 12, 2023, requesting SEBI to grant approval: (i) to consider the re-classification of the Current Promoters (as public shareholders of the Target Company) as a permissible method for the Target Company to satisfy the minimum public shareholding requirements; and (ii) upon re-classification of the Current Promoters as public shareholders of the Target Company, to consider their remaining shareholding in the Target Company (i.e. 7.85% (seven point eight five percent) of the Target Company's outstanding equity share capital) as part of the public shareholding in the Target Company. In the event such approval is not granted by SEBI, the Acquirer will ensure that the Target Company increases its public shareholding, to the extent mentioned above, through any of the permissible methods in compliance with applicable laws, within a period of 3 (three) years from the date of listing, i.e., by August 5, 2024. Further, pursuant to completion of this Open Offer, the Equity Shares that are tendered and accepted thereunder are likely to result in a reduction of the public shareholding in the Target Company. The Acquirer will ensure that the Target Company satisfies the minimum public shareholding requirements set out in Rule 19A of the SCRR through any of the permissible

methods in compliance with applicable laws, within a period of 12 (twelve) months from the completion of the Open Offer.

- (4) The number of shareholders in the “public category” as on December 31, 2023, is 1,85,529.

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/- ⁽¹⁾ |
| (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 | Not applicable ⁽²⁾ |

| | | |
|-----|---|-------------------------------|
| | including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies | |
| (f) | The per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, if applicable | Not applicable ⁽³⁾ |

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

Notes:

- (1) As disclosed in paragraph 3.1.2 of the DLOF, pursuant to declaration of the Dividend, the price payable by the Acquirer to the Seller stands adjusted to INR 592.50/- (Indian Rupees five hundred and ninety two and Paise fifty only) per Sale Share in accordance with the SPA.
- (2) Not applicable as the Equity Shares are frequently traded.
- (3) 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 LOF, 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, except for the Dividend. As disclosed in paragraph 3.1.2 of this LOF, the board of directors of the Target Company has declared the Dividend of INR 22.50/- (Indian Rupees twenty two and Paise fifty only) per Equity Share on October 9, 2023 (the record date for which is October 17, 2023), 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. As per Regulation 8(9) of the SEBI (SAST) Regulations, the Acquirer in consultation with the Manager to the Open Offer has the right to make a downward adjustment to the Offer Price as a result of the Dividend paid by the Target Company. However, the Acquirer has decided not to make a downward adjustment to the Offer Price. The Offer Price may be adjusted by the Acquirer, in consultation with the Manager, in the event of any further corporate action(s) such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of dividend, demergers, 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. 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.

- 7.1.8. As on the date of this LOF, 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.
- 7.1.9. 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 fulfil 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 fulfil 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. This 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 this LOF.
- 8.1.3. In terms of the schedule of major activities, the Tendering Period for the Offer shall commence on Thursday, February 15, 2024, and close on Thursday, February 29, 2024.
- 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 LOF, 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 this LOF, to the extent of the Offer Size.
- 8.1.11. Copies of PA, DPS and DLOF are available and a copy of this 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 Thursday, February 01, 2024. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom this 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. This 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 this LOF to any Public Shareholder to whom this Offer has been made or non-receipt of this LOF by any such Public Shareholder shall not invalidate this Offer in manner whatsoever. In

case of non-receipt of this LOF, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download this 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 this LOF 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, this LOF 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 this 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 LOF).
- 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 this 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 this 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 this LOF, 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. The approval of the Competition Commission of India under the Competition Act, 2002, which was required for the consummation of the underlying transaction contemplated in the SPA and the Open Offer, was granted on December 19, 2023. 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 (a) any statutory or other approvals 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 sub-paragraphs (f) or (g) of paragraph 3.1.6.1 of this LOF 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 this LOF will constitute a binding agreement between the Acquirer and the tendering holder, including the tendering holder's acceptance of the terms and conditions of this LOF.

- 9.3. Subject to paragraph 8.4 (*Statutory and Other Approvals*) of this LOF, 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 LOF. While this LOF 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 this LOF to any person to whom the Open Offer is made or the non-receipt or delayed receipt of this LOF 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 this 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 this LOF, may also participate in this Offer. Accidental omission to send this LOF to any person to whom the Offer is made or the non-receipt or delayed receipt of this 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 this LOF and the Form of Acceptance.
- 9.8.4. This 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 this 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 this 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 this 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 this 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 analysed 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, and the standalone unaudited limited reviewed financial statements of the Acquirer for the nine months ended December 31, 2023;
- 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, and unaudited limited reviewed financial statements of the Target Company for the nine months ended December 31, 2023;
- 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. Copies 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. SEBI/HO/CFD/CFD-RAC-DCR2/P/OW/2024/04912/1, dated February 02, 2024, in regard to the DLOF.

Copies of the aforementioned documents will also be available for inspection to the Public Shareholders electronically during the Tendering Period. Public Shareholders interested in inspecting any of the aforementioned documents electronically are requested to send an email from their registered email ids with the subject line “Documents for Inspection – Glenmark Life Sciences - Open Offer” (along with the details of their shareholding, DP ID and Client ID and, in case of a corporate shareholder, a copy of the authority letter granting authority on behalf of the corporate shareholder to inspect documents), to the Manager to the Offer at gls.openoffer@damcapital.in, and access would be provided to the respective Public Shareholders for electronic inspection upon receipt and processing of such a request.

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, the DLOF and this LOF (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 and this LOF 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 and this LOF 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 and this LOF pertaining to the Target Company or the Seller.

For and on behalf of the Acquirer

Sd/-

Authorized Signatory

Date: February 05, 2024

Place: Ahmedabad

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION****GLENMARK LIFE SCIENCES LIMITED**

(Public Shareholders holding shares in dematerialised form are not required to fill this Form of Acceptance, unless required by their respective Selling Broker. Public Shareholders holding shares in physical form (resident and non-resident) are required to send this Form of Acceptance along with the enclosures to the Registrar to the Offer, at its registered office address provided in the Letter of Offer. Capitalized terms and expressions used herein but not defined, shall have the same meaning as ascribed to them in the Letter of Offer.)

TENDERING PERIOD FOR THIS OPEN OFFER

| | |
|-------------------------|-----------------------------|
| OFFER OPENS ON | Thursday, February 15, 2024 |
| OFFER CLOSSES ON | Thursday, February 29, 2024 |

To,

The Acquirer (Nirma Limited)**Unit:- Glenmark Life Sciences Limited – Open Offer****C/o KFin Technologies Limited**

Selenium, Tower B, Plot No- 31 and 32, Financial District,

Nanakramguda, Serilingampally, Hyderabad,

Rangareddi 500032, Telangana, India

Tel No. +91 40 6716 2222; Fax No. +91 40 2343 1551

Dear Sir,

Sub: Cash Offer for acquisition of up to 2,12,77,736 fully paid-up Equity Shares of face value of INR 2/- (Indian Rupees two only) each ("Equity Share") representing 17.33% (seventeen point three three percent) of the Voting Share Capital of Glenmark Life Sciences Limited ("Target Company"), at a price of INR 631.20/- (Indian Rupees six hundred and thirty one and Paise twenty paise 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 the Target Company, by Nirma Limited ("Acquirer")

I / We refer to the Letter of Offer dated February 05, 2024, for acquiring the Equity Shares held by me / us in the Target Company.

I / We acknowledge and confirm that all the particulars/ statements given herein are true and correct.

Details of Public Shareholder:

| Name (in BLOCK LETTERS) | Holder | Name of the shareholder(s) | Permanent Account Number (PAN) |
|---|--|-----------------------------------|---------------------------------------|
| (Please write names of the joint holders in the same order as appearing in the Equity Share certificate(s) / demat account) | Sole / First | | |
| | Second | | |
| | Third | | |
| Contact number(s) of the first holder | Tel No. (With STD Code): Fax No. (with STD Code): | | Mobile No.: |
| Full address of the first holder (with pin code) | | | |
| Email address of first holder | | | |
| Date and place of incorporation (if applicable) | | | |

FOR EQUITY SHARES HELD IN PHYSICAL FORM:

I/We, confirm that our residential status under the Income Tax Act is as below (tick whichever is applicable).

☐ Resident☐ Non-Resident

I / We, holding Equity Shares in physical form, accept this Offer and enclose the original share certificate(s) and duly signed transfer form(s) in respect of my / our Equity Shares as detailed below along with enclosures as mentioned herein:

| Sr. No. | Regd. Folio Number | Share Certificate Number | Distinctive Numbers | | No. of Equity Shares |
|----------------|---------------------------|---------------------------------|----------------------------|-----------|-----------------------------|
| | | | From | To | |
| 1 | | | | | |

| | | | | | |
|--|--|--|--|--------------|--|
| 2 | | | | | |
| 3 | | | | | |
| (In case the space provided is inadequate, please attach a separate sheet with the above details and authenticate the same) | | | | TOTAL | |

Enclosures (tick whichever is applicable)

- ☐ Duly attested power of attorney, if any person apart from the Public Shareholder, has signed this Form of Acceptance-cum-Acknowledgement or Equity Share transfer form(s)
- ☐ Original Equity Share certificate(s)
- ☐ Valid Equity Share transfer form(s)
- ☐ Corporate authorization, in case of companies along with certified board resolution and specimen signatures of authorized signatories
- ☐ Duly attested death certificate and succession certificate / probate / letter of administration (in case of single Shareholder), in case the original Shareholder has expired
- ☐ Self-attested copy of PAN card of all the transferor(s)
- ☐ Other relevant documents (please specify)

I / We, the undersigned, have read the Public Announcement, the Detailed Public Statement, the Letter of Offer and the Open offer opening public announcement, understood their contents, terms and conditions, and unconditionally accept them.

FOR ALL PUBLIC SHAREHOLDERS

I / We confirm that the Equity Shares which are being tendered herewith by me / us under this Offer are free from liens, charges, equitable interests and encumbrances and are being tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter.

I / We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares in this Offer and that I/we am/are legally entitled to tender the Equity Shares in this Offer.

I / We have obtained any and all necessary consents to tender the Equity Shares in the Offer on the foregoing basis.

I / We declare that regulatory approvals, if applicable, for holding the Equity Shares and/or for tendering the Equity Shares in this Offer have been enclosed herewith.

I / We confirm that the sale and transfer of the Equity Shares held by me/us will not contravene any applicable law and will not breach the terms of any agreement (written or otherwise) that I/we are a party to. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the Equity Shares comprised in this application are owned by me / us. If any claim is made by any third party in respect of the said Equity Shares, I / we will hold the Acquirer harmless and indemnified against any loss they or either of them may suffer in the event these Equity Shares are acquired by the Acquirer.

I / We agree that the Acquirer will pay the consideration as per secondary market mechanism only after verification of the documents and signatures, as applicable submitted along with this Form of Acceptance. I / We undertake to return to the Acquirer any Open Offer consideration that may be wrongfully received by me / us.

I / We confirm that I / We are not persons acting in concert or persons deemed to be acting in concert with the Acquirer.

I / We give my/our consent to the Acquirer to file any statutory documents on my/our behalf in relation to accepting the Equity Shares in this Offer. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Acquirer to effectuate this Offer in accordance with the SEBI (SAST) Regulations.

I / We confirm that I / we are in compliance with the terms of the Open Offer set out in the Public Announcement, the Detailed Public Statement and the Letter of Offer.

I / We are / am not debarred from dealing in shares or securities, including the Equity Shares.

I / We confirm that there are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act, 1961 including but not limited to section 281 of the Income Tax Act, 1961.

I / We confirm that in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by me / us , or as a result of income tax (including any consequent interest and penalty) on the capital gains arising from tendering of the Equity Shares, I / we will indemnify the Acquirer for such income tax demand (including interest, penalty, etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

I / We note and understand that a lien will be marked against the Equity Shares tendered by me by Clearing Corporation until the settlement date whereby the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.

I/We note and understand that the Equity Shares tendered in the Offer will be held by the Registrar to the Offer/Clearing Corporation in trust for me/us till the date the Acquirer makes payment of consideration as mentioned in the Letter of Offer, or the date by which other documents are dispatched to the Public Shareholders, as the case may be. I/We also note and understand that the consideration will be paid only to those Public Shareholders who have validly tendered their Equity Shares in this Offer, in accordance with the terms of the Letter of Offer.

I / We authorise the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares which the Acquirer may decide to accept in consultation with the Managers to the Offer and the Registrar to the Offer and in terms of the Letter of Offer. I / we further authorize the Acquirer to return to me / us, Equity Shares in respect of which this Offer is not found valid / not accepted without specifying the reasons thereof.

FOR NRIs/ OCBs/ FIIs AND SUB-ACCOUNTS/ OTHER NON-RESIDENT SHAREHOLDERS

I / We confirm that my/our residential status is (☐ whichever is applicable):

| | | | | |
|---|--|--|--|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Foreign Company | <input type="checkbox"/> FII/FPI – Corporate | <input type="checkbox"/> FII/FPI - Others | <input type="checkbox"/> FVCI |
| <input type="checkbox"/> Foreign Trust | <input type="checkbox"/> Private Equity Fund | <input type="checkbox"/> Pension/Provident Fund | <input type="checkbox"/> Sovereign Wealth Fund | <input type="checkbox"/> Partnership/ Proprietorship firm |
| <input type="checkbox"/> Financial Institution | <input type="checkbox"/> NRIs/PIOs – repatriable | <input type="checkbox"/> NRIs/PIOs - non-repatriable | <input type="checkbox"/> OCB | <input type="checkbox"/> QFI |
| <input type="checkbox"/> Others – please specify: | | | | |

I / We confirm that my/our investment status is (and ☐ whichever is applicable):

- ☐ FDI Route
- ☐ PIS Route
- ☐ Any other – please specify _____

I / We confirm that Equity Shares tendered by me/us are held on (☐ whichever is applicable):

- ☐ Repatriable basis
- ☐ Non-repatriable basis

I / We confirm that (☐ whichever is applicable):

- ☐ No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Open Offer and the Equity Shares are held under general permission of the RBI
- ☐ Copies of all approvals required by me for holding Equity Shares that have been tendered in this Open Offer are enclosed herewith
- ☐ Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We confirm that (☐ whichever is applicable):

- ☐ No RBI, FIPB or other regulatory approval is required by me for tendering the Equity Shares in this Open Offer
- ☐ Copies of all approvals required by me for tendering Equity Shares in this Open Offer are enclosed herewith
- ☐ There are no taxes or other claims pending against us which may affect the legality of the transfer of Equity Shares under the Income Tax Act including but not limited to section 281 of the Income Tax Act
- ☐ In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, error, negligence or omission of information provided / to be provided by me / us, I / we will indemnify the Acquirer for such income tax demand (including interest, penalty, cost of litigation etc.) and provide the Acquirer with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority

ADDITIONAL CONFIRMATIONS AND ENCLOSURES FOR ALL PUBLIC SHAREHOLDERS, AS APPLICABLE:

I / We, have enclosed the following documents (☐ whichever is applicable):

- ☐ Self-attested copy of PAN card.
- ☐ Self-declaration form in Form 15 G / Form 15 H, if applicable to be obtained in duplicate copy (applicable only for interest payment, if any).

- ☐ No objection certificate / Tax clearance certificate from income tax authorities, for deduction of tax at a lower rate / NIL rate on income from sale of shares and interest income, if any, wherever applicable.
- ☐ For Mutual Funds/ Banks/ notified institutions/ other shareholders, self-attested copy of relevant registration or notification in support of the claim that they are eligible to exemption from withholding tax (applicable in case of interest payment, if any).
- ☐ 'Valid Tax Residency Certificate' issued by the income tax authority of a foreign country of which he / it claims to be a tax resident, in case the Public Shareholder intends to claim benefit under the DTAA between India and that jurisdiction in which the Public Shareholder claims to be resident and a duly filled in 'Form 10F' as prescribed under the IT Act. Such other information and documentation as may be required depending upon specific terms of the relevant DTAA read with the provisions of MLI, including but not limited to a declaration of not having a permanent establishment in India and declaration of characterisation of income arising from the Open Offer.
- ☐ SEBI Registration Certificate for FIIs / FPIs (mandatory to be submitted by FIIs/FPIs).
- ☐ SEBI registration certificate issued to Category I or Category II Alternative Investment Funds if such fund intends to claim exemption from TDS under Section 197A(1F) of the IT Act.
- ☐ Declaration that the investment in the Equity Shares is in accordance with the applicable SEBI regulations (mandatory to be submitted by FIIs/FPIs).
- ☐ Duly attested power of attorney if any person apart from the Public Shareholder has signed the Form-of-Acceptance-cum-Acknowledgement
- ☐ Corporate authorization, in case of Companies along with certified copy of the Board Resolution and Specimen Signatures of Authorised Signatories
- ☐ Other relevant documents (Please specify) _____

BANK DETAILS:

Public Shareholders holding Equity Shares in dematerialised form, the bank account details for the purpose of interest payment, if any, will be taken from the record of the depositories.

So as to avoid fraudulent encashment in transit, the Public Shareholder(s) holding physical shares should provide details of bank account of the first/sole shareholder.

| | |
|--|--|
| Name of the Bank | |
| Branch Address and Pin Code | |
| Account Number | |
| IFSC Code | |
| MICR Code | |
| Type of Account- Savings/ Current/ Others (please specify) | |

In case of interest payments, if any, by the Acquirer for delay in payment of Open Offer consideration or a part thereof, the Acquirer will deduct taxes at source at the applicable rates as per the Income Tax Act. For details please refer to instruction no. 23 given overleaf.

Yours faithfully,

| Signed and Delivered: | Full Name | PAN | Signature |
|-----------------------|-----------|-----|-----------|
| First / Sole Holder | | | |
| Joint Holder 1 | | | |
| Joint Holder 2 | | | |
| Joint Holder 3 | | | |

Note: In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary board resolutions should be attached.

Place: _____

Date: _____

-----Tear Here-----

Acknowledgement Receipt –Glenmark Life Sciences Limited – Open Offer

Received from Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement for Glenmark Life Scienced Limited – Open Offer as per details below:

Copy of delivery instruction to depository participant of Client ID for _____ Equity Shares

Date of Receipt:

Stamp of collection centre:

Signature of Official

INSTRUCTIONS

Capitalized terms used and not defined in these instructions will have the same meaning as provided in the Letter of Offer dated February 05, 2024.

1. **PLEASE NOTE THAT THIS FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT OR ANY OTHER DOCUMENTS SHOULD NOT BE SENT TO THE ACQUIRER, THE TARGET COMPANY OR TO THE MANAGER TO THE OFFER.**
2. This Form of Acceptance-cum-Acknowledgement should be legible and should be filled-up in English only.
3. All queries pertaining to this Open Offer may be directed to the Registrar to the Offer.
4. **AS PER THE PROVISIONS OF REGULATION 40(1) OF THE SEBI (LODR) REGULATIONS AND SEBI'S PRESS RELEASE DATED DECEMBER 3, 2018, BEARING REFERENCE NO. PR 49/2018, REQUESTS FOR TRANSFER OF SECURITIES SHALL NOT BE PROCESSED UNLESS THE SECURITIES ARE HELD IN DEMATERIALIZED FORM WITH A DEPOSITORY WITH EFFECT FROM APRIL 1, 2019. HOWEVER, IN ACCORDANCE WITH THE CIRCULAR ISSUED BY SEBI BEARING REFERENCE NUMBER SEBI/HO/CFD/PoD-1/P/CIR/2023/31 DATED FEBRUARY 16, 2023, 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.**
5. The Public Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach the and submit the following set of documents for verification procedure as mentioned below:
 - a) Original share certificate(s)
 - b) Valid share transfer form(s), i.e. Form SH-4, duly filled, stamped and signed by the transferor(s) (i.e. by all registered shareholder(s) in the same order and as per specimen signatures registered with the Target Company), and duly witnessed at the appropriate place.
 - c) Self-attested copy of the Public Shareholder's PAN Card (in case of joint holders, the PAN card copy of all transferors)
 - d) This Form - for Public Shareholders holding Equity Shares in physical form, duly completed and signed in accordance with the instructions contained herein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
 - e) A self-attested copy of the address proof consisting of any one of the following documents: valid Aadhar card, voter identity card, passport or driving license.
 - f) Any other relevant document including (but not limited to) such as power of attorney, corporate authorization (including board resolution(s)/ specimen signature(s)), notarised copy/(ies) of death certificate(s) and succession certificate(s) or probated will(s), if the original shareholder is deceased, etc., as applicable.

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.

6. In case of unregistered owners of Equity Shares in physical form, the Public Shareholder should provide an additional valid share transfer form(s) duly signed by the unregistered owner as transferor(s) by the sole/joint Public Shareholder(s) in the same order and duly witnessed at the appropriate place. The transfer form should be left blank, except for the signatures and witness details.
7. **PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER FORM.**
8. Attestation, where required (as indicated in the share transfer form) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to issue the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank.
9. In case the share certificate(s) and the transfer form(s) are lodged with the Target Company/ its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgement with, or receipt by, the Target Company / its transfer agents, of the share certificate(s) and the transfer form(s).
10. The Public Shareholder should ensure that the certificate(s) and above documents should be sent only to the Registrar to the Offer either by registered post or courier or hand delivery so as to reach the Registrar to the Offer: i.e. KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) on or before the date of closure of the Tendering Period, at the following address: Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500032, Telangana, India.
11. The Selling Broker should place bids on the Exchange Platform with relevant details as mentioned on physical share certificate(s). The Selling Broker(s) shall print the Transaction Registration Slip (TRS) generated by the exchange bidding system. The TRS will contain the details of order submitted including Folio No., Certificate No. Dist. Nos., number of Equity Shares, etc.

12. Public Shareholders who desire to tender their Equity Shares in dematerialized form under the Offer would have to do so through their respective selling member by indicating the details of Equity Shares they intend to tender under the Offer.
13. In case of Equity Shares held in joint names, names should be filled up in the same order in this Form of Acceptance-cum-Acknowledgement as the order in which they hold the Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.
14. If the Equity Shares tendered are rejected for any reason, the Equity Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.
15. The Procedure for Acceptance and Settlement of this Offer has been mentioned in the Letter of Offer in Paragraph 9 (*Procedure for Acceptance and Settlement of the Offer*).
16. The Letter of Offer along with this Form of Acceptance-cum-Acknowledgement is being dispatched/sent through electronic mail to all the Public Shareholders as on the Identified Date, who have registered their email ids with the Depositories and through speed post / registered post to shareholders who do not have registered email id and/or the Target Company. In case of non-receipt of the Letter of Offer, the Public Shareholders of the Target Company may download the same from the respective websites of SEBI (www.sebi.gov.in), the Registrar to the Offer (www.kfintech.com), the Manager to the Offer (www.damcapital.in), BSE (www.bseindia.com), and NSE (www.nseindia.com) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
17. All the Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
18. All documents/remittances sent by or to Public Shareholders will be at their own risk. Public Shareholders are advised to adequately safeguard their interests in this regard.
19. The Selling Broker(s) shall print the Transaction Registration Slip (TRS) generated by the exchange bidding system.
20. In case any person has submitted Equity Shares in physical form for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.
21. The Tender Form and TRS is not required to be submitted to the Acquirer, the Manager to the Offer or the Registrar to the Offer. Shareholders holding Equity Shares in dematerialised form are not required to fill this Form of Acceptance-cum-Acknowledgment unless required by their respective selling broker. Equity Shares under lock-in will be required to fill the respective Form of Acceptance-cum-Acknowledgment.
22. If non-resident Public Shareholders had required any approval 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 the Equity Shares held by them pursuant to this Open Offer. Further, non-resident Public Shareholders must obtain all approvals required, if any, to tender the Equity Shares in this Open Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer, and provide such other consents, documents and confirmations as may be required to enable the Acquirer to purchase the Equity Shares so tendered. In the event any such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Open Offer. If the Equity Shares are held under general permission of RBI, the non-resident Public Shareholder should state that the Equity Shares are held under general permission and whether they are held on repatriable basis or non-repatriable basis.
23. Interest payment, if any: In case of interest payments by the Acquirer for delay in payment of Offer consideration or a part thereof, the final decision to deduct tax or not on the interest payments for delay in payment of consideration, or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments.
24. Public Shareholders who wish to tender their Equity Shares must submit the following documents to the Registrar to the Offer.

For resident Public Shareholders:

- ☐ Self-attested copy of PAN card
- ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of consideration (certificate for deduction of tax at lower rate)
- ☐ Self-declaration in Form 15G/Form 15H (in duplicate), if applicable
- ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)
- ☐ Self-attested declaration in respect of residential status and tax status of Public Shareholders (e.g. individual, Hindu Undivided Family (HUF), firm, company, Association of Persons (AOP), Body of Individuals (BOI), trust or any other – please specify);

For non-resident Public Shareholders:

- ☐ Self-attested copy of PAN card
- ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirer before remitting the amount of interest
- ☐ Tax Residency Certificate and Form 10F and other information or documents as may be required to claim relief under the provisions of applicable double taxation avoidance agreement
- ☐ Self-attested declaration that it does not have a Permanent Establishment in India either under the IT Act or applicable between India and any other foreign country or specified Territory (as notified under Section 90 or Section 90A of the Income Tax Act) of which the Public Shareholder claims to be a tax resident
- ☐ Self-attested declaration in respect of residential status and tax status of Public Shareholders (e.g. individual, Hindu Undivided Family (HUF), firm, company, Association of Persons (AOP), Body of Individuals (BOI), trust or any other – please specify)
- ☐ Tax certificate issued by the income tax/statutory authorities of the overseas jurisdiction where the non-resident Public Shareholder is a resident for tax purposes, indicating the quantum of Overseas Tax along with any other information as may be relevant for this transaction.

In an event of non-submission of NOC or certificate for deduction of tax at nil/lower rate, tax will be deducted up to the maximum marginal rate as may be applicable to the relevant category, to which the Public Shareholder belongs, by the Acquirer.

FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OPEN OFFER, PLEASE REFER TO THE LETTER OF OFFER.

All future correspondence, if any, should be addressed to the respective Selling Broker, or to the Registrar to the Offer at the following address:



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

Form No. SH-4 - Securities Transfer Form

[Pursuant to Section 56 of the Companies Act, 2013 and Sub-Rule (1) of Rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of execution: _____ / _____ / _____

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

| | | | | | | | | | | | | | | | | | | | | | |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| CIN: | L | 7 | 4 | 9 | 0 | 0 | P | N | 2 | 0 | 1 | 1 | P | L | C | 1 | 3 | 9 | 9 | 6 | 3 |
|-------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

Name of the company (in full): **GLENMARK LIFE SCIENCES LIMITED**

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

DESCRIPTION OF SECURITIES:

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

| No. of Securities being Transferred | | Consideration received (in INR) | |
|-------------------------------------|----------|---------------------------------|------------|
| In figures | In words | In words | In figures |
| | | | |

| Distinctive Number | From | | | |
|--------------------|------|--|--|--|
| | To | | | |

| Corresponding Certificate Nos. | | | |
|-----------------------------------|--|--|--|
|-----------------------------------|--|--|--|

Transferor’s Particulars

Registered Folio Number: _____

| Name(s) in full | PAN No. | Signature(s) |
|-----------------|---------|--------------|
| 1. _____ | _____ | _____ |
| 2. _____ | _____ | _____ |
| 3. _____ | _____ | _____ |

I hereby confirm that the transferor has signed before me.

Signature of the witness: _____

Name of the witness: _____

Address of the witness: _____

Pin code: _____

Transferee's Particulars

| Name in full (1) | Father's/ Mother's / Spouse's Name (2) | Address & E-mail id (3) |
|------------------|--|---|
| NIRMA LIMITED | N.A. | Address: Nirma House, Ashram Road, Ahmedabad - 380 009, Gujarat, India E-mail ID: psheth@nirma.co.in |
| Occupation (4) | Existing Folio No., if any (5) | Signature (6) |
| BUSINESS | | 1. _____ 2. _____ 3. _____ |

| Folio No. of Transferee | Specimen Signature of Transferee(s) |
|-------------------------|-------------------------------------|
| _____ _____ _____ | 1. _____ 2. _____ 3. _____ |

Value of Stamp affixed: ` _____

Stamps:

Enclosures:

1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify, _____

For Office Use Only

Checked by _____

Signature Tallied by _____

Entered in the Register of Transfer on _____

_____ vide Transfer no _____

Approval Date _____

Power of attorney / Probate / Death certificate / Letter of Administration

Registered on _____ at

No _____

On the reverse page of the certificate

| Name of Transferor | Name of Transferee | No. of Shares | Date of Transfer |
|-----------------------------------|--------------------|---------------|------------------|
| _____ | _____ | _____ | _____ |
| Signature of authorised signatory | | | |