



# NACL Industries Limited

Ref: NACL/SE/2024-25

March 27, 2025

**1) BSE Limited**

Phiroze Jeejeebhoy Tower,  
Dalal Street, Fort,  
Mumbai - 400001

**CODE: 524709**

**2) National Stock Exchange of India Ltd**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No.C/1  
Block G, Bandra- Kurla Complex,  
Bandra(E), Mumbai - 400051

**Symbol: NACLIND**

Dear Sir,

**Sub.: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended ("SEBI Listing Regulations"): Draft Letter of Offer.**

Pursuant to Regulation 30 and other applicable provisions of the SEBI Listing Regulations, and in reference to our announcements dated March 13, 2025, and March 20, 2025, wherein we had informed about the Open Offer being made by M/s. Coromandel International Limited ("Acquirer") to the public shareholders of M/s. NACL Industries Limited ("Target Company") pursuant to Regulation 3(1) read with Regulation 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time ("Open Offer"), and the subsequent receipt of a copy of the Detailed Public Statement dated March 19, 2025 ("DPS").

We further wish to inform that the Manager to the Open Offer, JM Financial Limited has filed the Draft Letter of Offer ('DLOF') with SEBI, today. A copy of the DLOF is annexed herewith for reference.

We request to take this submission on record.

for **NACL Industries Limited**

**Satish Kumar Subudhi**

Vice President – Legal & Company Secretary

Subudhi  
Satish  
Kumar

Digitally signed  
by Subudhi  
Satish Kumar  
Date: 2025.03.27  
20:18:35 +05'30'



## DRAFT LETTER OF OFFER

### “THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

The Letter of Offer (*as defined below*) will be sent to you as a Public Shareholder (*as defined below*) of NACL Industries Limited (“**Target Company**”). If you require any clarification about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Offer (*as defined below*) or the Registrar to the Offer (*as defined below*). In case you have recently sold your Equity Shares (*as defined below*), please hand over the Letter of Offer (*as defined below*) and the accompanying Form of Acceptance-cum-Acknowledgement (*as defined below*) and transfer deed to the member of the Stock Exchange (*as defined below*) through whom the said sale was effected.

### Coromandel International Limited (“**Acquirer**”)

A listed public limited company incorporated under the Companies Act, 1956

**Corporate Identification Number: L24120TG1961PLC000892**

**Registered Office:** Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad-500003, Telangana, India

Tel: +91-44-42525300 Fax: +91 40 27844117

**Email:** shanmugasundaramb@coromandel.murugappa.com

Website: <https://www.coromandel.biz>

(herein referred to as “**Acquirer**”)

Make a cash offer at a price of INR 76.70 per Equity Share (“**Offer Price**”), to acquire up to 5,24,62,320 fully paid-up Equity Shares (*as defined below*) of face value of INR 1 each (“**Offer Shares**”), representing 26.00% of the Voting Share Capital (*as defined below*), in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time (“**SEBI (SAST) Regulations**”) from the Public Shareholders (“**Open Offer**” or “**Offer**”)

OF

### NACL Industries Limited

A listed public company incorporated under the Companies Act, 1956

**Corporate Identification Number: L24219TG1986PLC016607**

**Registered Office:** No: 8-2-248/1-7-78, Plot No.12-A, C-Block, Lakshmi Towers, Nagarjuna Hills, Panjagutta, Hyderabad - 500082, Telangana, India

Tel: +91 40 2440 5100; Fax: +91 40 3070 2299

Website: <https://naclind.com>

(herein referred to as “**Target Company**”)

1. This Offer (*as defined below*) is being made pursuant to and in compliance with the provisions of Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations.
2. This Offer is not a conditional offer in terms of Regulation 19(1) of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
3. This Offer is NOT a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
4. Other than as set out in paragraph 6.3 (Statutory and Other Approvals), as on the date of this Letter of Offer, to the best of the knowledge of the Acquirer, there are no other statutory or other approvals required for the consummation of the Underlying Transaction (*as defined below*). In case any other statutory or other approvals become applicable and are required by the Acquirer at a later date before the closure of the Tendering Period (*as defined below*), this Open Offer shall be subject to receipt of such further approvals. Please refer to paragraph 6.3 (Statutory and Other Approvals), for further details and current status of such statutory and other approvals.
5. Where any statutory approval 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 approvals are required in order to complete this Offer.
6. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, subject to a maximum of 5,24,62,320 Equity Shares, representing 26.00% of the Voting Share Capital, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in nonmarketable lots. The minimum marketable lot for the Equity Shares for the purpose of this Offer shall be one Equity Share.
7. The Acquirer may withdraw the Offer in accordance with the conditions specified in paragraph 6.3 of this Draft Letter of Offer (“**DLoF**”) (*as defined below*). In the event of a withdrawal of the Offer, the Acquirer (through the Manager) shall, within 2 (two) Working Days (*as defined below*) of such withdrawal, make a public announcement of such withdrawal, stating the grounds and reasons for the withdrawal, in the same newspapers in which the Detailed Public Statement (*as defined below*) was published, in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and such public announcement also will be sent to the Securities and Exchange Board of India (“**SEBI**”), Stock Exchanges (*as defined below*) and the Target Company at its registered office.
8. Under Regulation 18(4) of the SEBI (SAST) Regulations, the Acquirer is permitted to revise the Offer Price or the number of Offer Shares at any time prior to the commencement of the last 1 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 corresponding increases to the escrow amount, as more particularly set out in Part 5 (Offer Price and Financial Arrangements) of this DLoF; (b) make public announcement in the same newspapers in which the Detailed Public Statement (*as defined below*) was published, and (c) simultaneously notify SEBI, the Stock Exchanges (*as defined below*) and the Target Company at its registered office of such revision. The Acquirer shall pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the Letter of Offer. Such revision would be done in compliance with other requirements prescribed under the SEBI (SAST) Regulations.
9. **There has been no competing offer as on the date of this DLoF.**
10. **If there is a competing offer at any time hereafter, the public offers under all subsisting bids will open and close on the same date.**
11. Unless otherwise stated, the information set out in this DLoF reflects the position as of the date hereof.
12. A copy of the Public Announcement in relation to this Offer, DPS and the Draft Letter of Offer (including Form of Acceptance cum Acknowledgement) will also be available on the website of Securities and Exchange Board of India (<http://www.sebi.gov.in>).

#### MANAGER TO THE OFFER



**JM Financial Limited**

7th Floor, Energy,  
Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025, India

Tel: +91 22 6630 3030

E-mail: [naclopenoffer@jmfl.com](mailto:naclopenoffer@jmfl.com)

Fax: +91 22 6630 3330

Website: [www.jmfl.com](http://www.jmfl.com)

Contact person: Ms. Prachee Dhuri

SEBI registration no.: INM000010361

#### REGISTRAR TO THE OFFER



**KFin Technologies Limited**

Selenium, Tower B, Plot No- 31 and 32,  
Financial District, Serilingampally, Hyderabad, Rangareddy, 500 032,  
Telangana, India

Tel: +91 40 6716 2222;

Toll free no.: 18003094001

Fax: +91 40 67161563

E-mail: [nacl.openoffer@kfintech.com](mailto:nacl.openoffer@kfintech.com)

Website: [www.kfintech.com](http://www.kfintech.com)

Investor Grievance E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Contact Person: M. Murali Krishna

SEBI Registration Number: INR000000221

CIN: L72400TG2017PLC117649

**The tentative schedule of key activities under this Offer is as follows:**

S. No.	Activity	Schedule of Activities (Date and Day) <sup>(1)</sup>
1.	Issue of Public Announcement	Wednesday, March 12, 2025
2.	Publication of the DPS in newspapers	Thursday, March 20, 2025
3.	Last date for filing of the draft letter of offer (“ <b>DLOF</b> ”) with SEBI	Thursday, March 27, 2025
4.	Last date for the public announcement for competing offer(s)	Tuesday, April 15, 2025
5.	Last date for receipt of SEBI observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager)	Wednesday, April 23, 2025
6.	Identified Date <sup>(2)</sup>	Friday, April 25, 2025
7.	Last date by which the LOF is to be dispatched to the Public Shareholders whose names appear on the register of members on the Identified Date	Monday, May 05, 2025
8.	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 the Open Offer	Thursday, May 08, 2025
9.	Last date for upward revision of the Offer Price / Offer Size	Thursday, May 08, 2025
10.	Date of publication of offer opening public announcement in the newspapers in which the DPS has been published	Friday, May 09, 2025
11.	Date of commencement of the Tendering Period (“ <b>Offer Opening Date</b> ”)	Tuesday, May 13, 2025
12.	Date of closure of the Tendering Period (“ <b>Offer Closing Date</b> ”)	Monday, May 26, 2025
13.	Last date of communicating the rejection / acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	Monday, June 09, 2025
14.	Last date for publication of post-Offer public announcement in the newspapers in which the DPS has been published	Monday, June 16, 2025

**Notes:**

(1) The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of requisite statutory and other approvals and may have to be revised accordingly. Where last dates are mentioned for certain activities, such activities may take place on or before the respective last dates.

(2) The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all 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**

The risk factors set forth below are limited to this Offer, the Underlying Transaction (*as defined below*) contemplated under the SPAs (*as defined below*), and the probable risk involved in associating with the Acquirer, and are not in relation to the present or future business operations of the Target Company, or other related matters. These risks are neither exhaustive nor intended to constitute a complete or comprehensive analysis of all risks involved in or associated with the participation by Public Shareholders in the Offer, but are only indicative in nature. Public Shareholders are advised to consult their legal advisor, stockbrokers, investment consultants and/ or tax advisors, for analyzing and understanding all the risks associated with respect to their participation in this Offer.

For capitalized terms used herein please refer to the section 'Definitions / Abbreviations' set out below.

### **Risk factors relating to the Offer and Underlying Transaction**

1. The Offer is an open offer under the SEBI (SAST) Regulations to acquire up to 5,24,62,320 Equity Shares representing 26.00% of the total Voting Share Capital (*as defined below*), from the Public Shareholders (*as defined below*). If the number of Equity Shares validly tendered by the Public Shareholders (*as defined below*) under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders (*as defined below*) will be accepted on a proportionate basis, subject to acquisition of a maximum of 5,24,62,320 Equity Shares, representing 26.00% of the Voting Share Capital (*as defined below*). Accordingly, there is no assurance that all the Equity Shares tendered by the Public Shareholders (*as defined below*) in the Offer will be accepted. The lien marked against the unaccepted Equity Shares tendered by the Public Shareholders (*as defined below*) shall be released in accordance with the schedule of activities for the Open Offer.
2. The consummation of the Underlying Transaction (*as defined below*) and Open Offer is subject to the receipt of the Required Statutory Approval (*as defined below*) and satisfaction of Promoter SPA Conditions Precedent (*as defined below*). As on the date of this DLoF, to the best knowledge of the Acquirer, other than the Required Statutory Approval (*as defined below*), there are no statutory approval(s) required by the Acquirer to complete the acquisitions under the SPAs. 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 and the Acquirer shall make necessary applications for such approvals. Other than the Required Statutory Approval, the completion of the acquisition under the SPAs is conditional upon the Promoter SPA Conditions Precedent (*as defined below*).

In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals specified in paragraph 6.3 (Statutory and Other Approvals), of this DLoF or those which become applicable prior to completion of the Open Offer are refused or the Promoter SPA Conditions Precedent (*as defined below*) are not met for reasons outside the reasonable control of the Acquirer, then the SPAs may be rescinded and Acquirer shall have the right to withdraw the Open Offer. 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.

3. In case of delay in receipt / non-receipt of any statutory approval or other approval(s) as referred in paragraph 6.3 (Statutory and Other Approvals), that may be required by the Acquirer at a later date, SEBI may, if satisfied, that such delay in receipt or non-receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, grant an extension of time to the Acquirer to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer. Where any statutory approval 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 approvals are required in order to complete this Offer.
4. The acquisition of Equity Shares under the Offer from all Public Shareholders (resident and non-resident) is subject to all approvals required to be obtained by such Public Shareholders in relation to the Offer and the transfer of Equity Shares held by them to the Acquirer. All Public Shareholders (including residents, non-resident Indians, overseas corporate bodies or nonresident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the Form of Acceptance-cum-Acknowledgement, and other documents required in terms of this Letter of Offer 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 Public Shareholders who are not persons resident in India (including non-resident Indians or overseas corporate bodies or foreign portfolio investors) had required any previous 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 the Equity Shares held by them pursuant to this Offer, along with the documents required to be tendered to accept this Offer. In the event such prior approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer. 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. If the Equity Shares are held under general permission of the RBI, the non-resident Public Shareholder or OCB should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non- repatriable basis.
5. In the event that either (a) there is any litigation leading to a stay / injunction on the Offer by a court of competent jurisdiction, or SEBI instructing that the Offer should not proceed, or that restricts / restrains the Acquirer from performing its obligations hereunder, or (b) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the tentative schedule of activities indicated in this DLoF, or the Acquirer may rescind the SPAs and the Acquirer may withdraw the Offer in terms of Regulation 23 of the SEBI (SAST) Regulations, subject to applicable law. In the event of any delay, the payment of consideration to the Public Shareholders, whose Equity Shares are accepted under this Offer, as well as the removal of lien on Equity Shares not accepted under this Offer by the Acquirer may be delayed.

6. Equity Shares tendered in this Offer may be held in trust by the Clearing Corporation/Registrar to the Offer until the completion of the Offer formalities. The Public Shareholders should note that, under the SEBI (SAST) Regulations, once the Public Shareholders have tendered their Equity Shares, they will not be able to withdraw their Equity Shares from the Offer during the Tendering Period even in the event of a delay in the acceptance of Equity Shares under the 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. Further, during such period, there could be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. Accordingly, 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 their participation in this Offer.
7. The Public Shareholders whose Equity Shares have been validly tendered and accepted may be subject to capital gains tax and securities transaction tax applicable to the Equity Shares accepted in this Offer. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of 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 to the Offer do not accept any responsibility in this regard.
8. This DLoF, 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 (*defined below*) and the SEBI (SAST) Regulations, and has not been registered or approved under any laws or regulations of any country outside of India. This DLoF has not been filed and the LOF shall not be filed, registered or approved in any jurisdiction outside India. The disclosures in this DLoF and the Offer particulars including but not limited to the Offer Price, Offer Size and procedures for acceptance and settlement of the Offer is governed by the SEBI (SAST) Regulations, as amended, and other applicable laws, rules and regulations of India, the provisions of which may be different from those of any jurisdiction other than India. 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. Recipients of this DLoF resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country 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.

9. Persons in possession of the Letter of Offer are required to inform themselves and comply with all applicable legal requirements and any relevant restrictions in their respective jurisdictions. 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. 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. This DLoF does not in any way constitute an offer to purchase 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. This is not an offer for sale, or a solicitation of an offer to buy in any foreign jurisdictions covered under the 'Disclaimer' clause in paragraph 1 of this Draft Letter of Offer and cannot be accepted by any means or instrumentality from within any such foreign jurisdictions.
10. The information contained in this DLoF is as of the date of this DLoF unless expressly stated otherwise. The Acquirer, and the Manager are under no obligation to update the information contained herein at any time after the date of this DLoF.
11. In relation to the Offer, the Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, DPS, DLoF, Letter of Offer or in the post Open Offer advertisement 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 Offer (other than information pertaining to Tax and the Sellers and the Target Company which has been compiled from information published or publicly available sources or provided by the Sellers and the Target Company and which has not been independently verified by the Acquirer or the Manager). Anyone placing reliance on any sources of information (*other than as mentioned in this paragraph*) would be doing so at his / her / its own risk.

**Probable risks involved in associating with the Acquirer**

1. None of the Acquirer or the Manager make any assurance with respect to the financial performance or future performance of the Target Company or the continuance of past trends in the financial performance or the future performance of the Target Company.
2. None of the Acquirer or the Manager make any assurance with respect to the market price of the Equity Shares before, during or after the Offer Period and each of them expressly disclaim any responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Public Shareholder regarding whether or not to participate or not in the Offer.
3. None of the Acquirer or the Manager make any assurance with respect to the Acquirer's investment or disinvestment decisions relating to the proposed shareholding of Acquirer in the Target Company.
4. Neither the Acquirer, nor the Manager to the Offer or the Registrar to the Offer accepts any responsibility for any loss of documents during transit (including but not limited to Open Offer acceptance forms, copies of delivery instruction slips, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard.

5. Under Regulation 38 of the SEBI (LODR) Regulations (*defined below*), read with Rule 19A of the SCRR (*defined below*), the Target Company, being a listed company, is required to maintain at least 25% of its total shareholding as public shareholding (as determined in accordance with the SCRR) on a continuous basis. If, as a result of the acquisition of Equity Shares in this Offer and pursuant to consummation of the Underlying Transaction, the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirer will ensure the Target Company's compliance with the minimum public shareholding requirement in such manner and timelines as prescribed under applicable law, which may have an adverse effect on the price and tradability of the Equity Shares.
6. The information pertaining to the Target Company contained in the PA or DPS or this Draft Letter of Offer or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company. The information pertaining to the Sellers contained in the PA or the DPS or this Draft Letter of Offer or any other advertisement/publications made in connection with the Open Offer has been obtained from the Sellers. The Acquirer do not accept any responsibility with respect to any information provided in the PA or the DPS or this Draft Letter of Offer or any other advertisement/publications made in connection with the Open Offer pertaining to the Target Company or the Sellers.

#### **CURRENCY OF PRESENTATION**

1. In this DLoF, all references to "Rs.," "INR" are to Indian Rupee(s), the official currency of the Republic of India. Throughout this DLoF, all figures have been expressed in "million", "thousand", "lakh" or "crore" unless otherwise specifically stated.
2. In this DLoF, any discrepancy in any table between the total and sums of the amounts listed are due to rounding off and/or regrouping.

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## DEFINITIONS / ABBREVIATIONS

Sr. No	Particulars	Details / Definition
1.	Acquirer	Coromandel International Limited
2.	Beneficial Owner	Beneficial owners of the Equity Shares, whose names appeared as beneficiaries on the records of their respective DP at the close of business hours on the Identified Date or at any time before the closure of the Tendering Period.
3.	Board	The board of directors of the Target Company.
4.	BSE	BSE Limited.
5.	Buying Broker	JM Financial Services Limited
6.	Clearing Corporation	Indian Clearing Corporation Limited and National Securities Clearing Corporation Limited.
7.	Designated Stock Exchange	BSE
8.	DIS	Delivery Instruction Slip.
9.	DPS / Detailed Public Statement	The detailed public statement dated March 19, 2025, published on behalf of the Acquirer in the Newspapers on March 20, 2025.
10.	DP	Depository Participant.
11.	DLoF / Draft Letter of Offer	This draft letter of offer filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations.
12.	Equity Shares	Fully paid-up equity shares of face value of INR 1 each of the Target Company.
13.	Escrow Bank	HDFC Bank Limited
14.	Form of Acceptance-cum-Acknowledgment	The form of acceptance-cum-acknowledgement, which will be a part of the Letter of Offer.
15.	FII	Foreign Institutional Investor as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995.
16.	FPI	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014, as amended, registered with SEBI under applicable laws in India.
17.	Identified Date	Date falling on the 10 <sup>th</sup> Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom the Letter of Offer shall be sent.
18.	IT Act	The Income Tax Act, 1961, as amended from time to time.
19.	Letter of Offer / LOF	The Letter of Offer, duly incorporating SEBI's comments on the DLoF, including the Form of Acceptance-cum-

Sr. No	Particulars	Details / Definition
		Acknowledgement.
20.	Manager /Manager to the Offer	JM Financial Limited
21.	Newspapers	The newspapers wherein the DPS was published on behalf of the Acquirer as more specifically detailed below in paragraph 2.2.2.
22.	NRIs	Non-Resident Indians and persons of Indian origin residing abroad.
23.	NSE	National Stock Exchange of India Limited.
24.	Offer / Open Offer	Open Offer being made by the Acquirer to the Public Shareholders, to acquire up to 5,24,62,320 Equity Shares at a price of INR 76.70 per Equity Share.
25.	Offer Escrow Account	Escrow account with the name “COROMANDEL INTERNATIONAL LTD OPEN OFFER ESCROW A/C” opened with the Escrow Bank pursuant to the Offer Escrow Agreement.
26.	Offer Escrow Agreement	Agreement dated March 13, 2025 entered into between the Acquirer, Manager to the Offer and the Escrow Bank.
27.	Offer Period	Has the same meaning as ascribed to it under the SEBI (SAST) Regulations.
28.	Offer Shares	5,24,62,320 Equity Shares representing 26.00% of the Voting Share Capital ( <i>as defined below</i> ).
29.	PAN	Permanent Account Number.
30.	Promoter	Mrs. Kanumuru Lakshmi Raju
31.	Promoter Seller	KLR Products Limited, a company incorporated and registered under the laws of India, having its registered office at No. 8-2-248/1/7/78, Plot No. 12-A, C-Block, Lakshmi Towers, Nagarjuna Hills, Panjagutta, Hyderabad - 500082, Telangana, India.
32.	Promoter Group Party	Bright Town Investment Advisor Private Limited
33.	Promoter SPA	Share Purchase Agreement dated March 12, 2025 among the Acquirer, Promoter, Promoter Group Party, Promoter Seller and the Target Company.
34.	Public Announcement / PA	Announcement of the Offer made on behalf of the Acquirer dated March 12, 2025
35.	Public Shareholders	All the equity shareholders of the Target Company excluding (i) the Acquirer; (ii) the parties to the underlying Promoter SPA ( <i>as defined below</i> ), Tag Holder 1 SPA ( <i>as defined below</i> ) and Tag Holder 2 SPA ( <i>as defined below</i> ); and (iii) the persons deemed to be acting in concert with the persons set out in (i) and (ii).
36.	RBI	Reserve Bank of India.
37.	Registrar to the Offer	KFin Technologies Limited
38.	Required Statutory Approval	Approval of the Competition Commission of India under the Competition Act, 2002 (as amended), read with the Competition

Sr. No	Particulars	Details / Definition
		Commission of India (Procedure in regard to the transaction of Business relating to Combinations) Regulations, 2011 required for the consummation of the Underlying Transaction ( <i>as defined below</i> ) and the Open Offer
39.	RTA	KFin Technologies Limited, being the registrar and share transfer agent of the Target Company.
40.	SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
41.	SEBI	Securities and Exchange Board of India.
42.	SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
43.	SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
44.	Share Subscription and Shareholders Agreement	Agreement dated February 8, 2019 among Tag Holder Seller 1, Tag Holder Seller 2, Promoter, Promoter Seller and the Target Company, as amended by the Addendum dated April 1, 2021 amongst the same parties
45.	Sale Shares	Promoter SPA Sale Shares, the Tag Holder SPA 1 Sale Shares and the Tag Holder SPA 2 Sale Shares
46.	Sellers	Promoter Seller, the Tag Holder Seller 1 and the Tag Holder Seller 2
47.	SPAs	Promoter SPA, Tag Holder 1 SPA; and Tag Holder 2 SPA
48.	Stock Exchanges	Collectively, BSE and NSE
49.	STT	Securities Transaction Tax.
50.	SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
51.	Target Company	NACL Industries Limited having its registered office at No: 8-2-248/1-7-78, Plot No.12-A, Lakshmi Towers, Block 'C', Nagarjuna Hills, Panjagutta, Hyderabad, Telangana, 500082
52.	Tendering Period	The period of 10 (ten) Working Days during which the Public Shareholders may tender their Equity Shares in acceptance of the Offer under the SEBI (SAST) Regulations, which shall be duly disclosed to the Public Shareholders in the LOF.
53.	TRS	Transaction Registration Slip
54.	Tag Holder Seller 1	M/s. Agro Life Science Corporation, partnership firm (represented by its partners Rajesh Kumar Agarwal (PAN: ACKPA0924D) and Atul Churiwal (PAN: ADKPC2492H)), who is eligible to exercise Tag Right pursuant to, <i>inter-alia</i> , Share Subscription and Shareholders Agreement.
55.	Tag Holder 1 SPA	Share Purchase Agreement dated March 12, 2025 between the Acquirer and the Tag Holder Seller 1.

Sr. No	Particulars	Details / Definition
56.	Tag Holder Seller 2	Krishi Rasayan Exports Private Limited (PAN: AACCK4124G), who is eligible to exercise Tag Right pursuant to, <i>inter-alia</i> , Share Subscription and Shareholders Agreement.
57.	Tag Holder 2 SPA	Share Purchase Agreement dated March 12, 2025 between the Acquirer and the Tag Holder Seller 2.
58.	Tag Right	Right of Tag Holder Seller 1 and Tag Holder Seller 2 to sell their pro-rata shares to the Acquirer, on the same terms and on the same price as those applicable to the sale of Equity Shares by the Promoter Seller in terms of Underlying Transaction ( <i>as defined below</i> ).
59.	Tendering Period	Period of 10 Working Days during which the Public Shareholders may tender their Equity Shares in acceptance of the Offer, which shall be disclosed in the Letter of Offer in relation to this Open Offer.
60.	Voting Share Capital	Total 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. This includes 5,74,997 employee stock options which shall vest prior to March 31, 2026.
61.	Working Day	A working day of SEBI

**Notes:**

- (a) All capitalized terms used in this DLoF and not specifically defined herein, shall have the meanings ascribed to them in the SEBI (SAST) Regulations.
- (b) In this DLoF, any reference to the singular will include the plural and vice-versa.

1. **DISCLAIMER CLAUSE**

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE 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 DLOF 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 SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF NA CL INDUSTRIES 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 THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OPEN OFFER, JM FINANCIAL LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 27, 2025 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

**GENERAL**

THIS DRAFT LETTER OF OFFER TOGETHER WITH THE DPS AND THE PA IN CONNECTION WITH THE OFFER, HAS BEEN PREPARED FOR THE PURPOSES OF COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS OF INDIA, INCLUDING THE SEBI ACT AND THE SEBI (SAST) REGULATIONS, AND HAS NOT BEEN REGISTERED OR APPROVED UNDER ANY LAWS OR REGULATIONS OF ANY COUNTRY OUTSIDE OF INDIA. THE DISCLOSURES IN THIS DRAFT LETTER OF OFFER AND THE OFFER PARTICULARS INCLUDING BUT NOT LIMITED TO THE OFFER PRICE, OFFER SIZE AND PROCEDURES FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER IS GOVERNED BY SEBI (SAST) REGULATIONS, AND OTHER APPLICABLE LAWS, RULES AND REGULATIONS OF INDIA, THE PROVISIONS OF WHICH MAY BE DIFFERENT FROM THOSE OF ANY JURISDICTION OTHER THAN INDIA. 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 INFORMATION CONTAINED IN THIS DRAFT LETTER OF OFFER IS AS OF THE DATE OF THIS DRAFT LETTER OF OFFER UNLESS EXPRESSLY STATED OTHERWISE. THE ACQUIRER, PAC, THE MANAGER TO THE OFFER AND ANY PERSONS DEEMED TO BE ACTING IN CONCERT WITH THE ACQUIRER ARE UNDER NO OBLIGATION TO UPDATE THE INFORMATION CONTAINED HEREIN

AT ANY TIME AFTER THE DATE OF THIS DRAFT LETTER OF OFFER. NO ACTION HAS BEEN OR WILL BE TAKEN TO PERMIT THIS OFFER IN ANY JURISDICTION WHERE ACTION WOULD BE REQUIRED FOR THAT PURPOSE. THE LETTER OF OFFER SHALL BE DISPATCHED TO ALL PUBLIC SHAREHOLDERS HOLDING THE EQUITY SHARES WHOSE NAMES APPEAR IN THE RECORDS OF DEPOSITORIES, AT THEIR STATED ADDRESS, AS OF THE IDENTIFIED DATE. HOWEVER, RECEIPT OF THE LETTER OF OFFER 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 LETTER OF OFFER UNDER ANY LOCAL SECURITIES LAWS OF SUCH JURISDICTION), 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. PERSONS IN POSSESSION OF THE LETTER OF OFFER ARE REQUIRED TO INFORM THEMSELVES OF ANY RELEVANT RESTRICTIONS IN THEIR RESPECTIVE JURISDICTIONS. 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 AUTHORISED UNDER THE PROVISIONS OF ANY APPLICABLE LOCAL LAWS, RULES, REGULATIONS AND STATUTES TO PARTICIPATE IN THIS OFFER

## **2. DETAILS OF THE OFFER**

### **2.1 Background of this Offer:**

2.1.1 This Offer is a mandatory open offer made by the Acquirer in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the execution of the SPAs to acquire in excess of 25% of the paid-up equity share capital of the Target Company and Voting Share Capital and control over the Target Company.

2.1.2 This Offer is being made by the Acquirer to the Public Shareholders to acquire up to 5,24,62,320 Equity Shares representing 26.00% of the Voting Share Capital ("**Offer Size**"), at an offer price of INR 76.70 (Indian Rupees Seventy-Six and Seventy Paise only) per Equity Share ("**Offer Price**") determined in accordance with the provisions of the SEBI (SAST) Regulations. Assuming full acceptance of the Offer, the aggregate consideration payable to the Public Shareholders in accordance with the SEBI (SAST) Regulations will be up to INR 4,02,38,59,944 (Indian Rupees Four Hundred Two Crores Thirty-Eight Lakhs Fifty-Nine Thousand Nine Hundred Forty Four only) ("**Maximum Consideration**"). The Offer Price has been determined in accordance with Regulation 8(2) of the SEBI (SAST) Regulations. 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, and subject to the terms and conditions set out in this DLoF and the Letter of Offer that will be sent to the Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.

2.1.3 On March 12, 2025, the Acquirer has entered into the Promoter SPA, pursuant to which the Acquirer has agreed to acquire from the Promoter Seller 10,68,96,146 Equity Shares representing 52.98% of the Voting Share Capital ("**Promoter Sale Shares**"), at a price of INR 76.70 (Indian Rupees Seventy Six and Seventy Paise only) per Equity Share for an aggregate consideration of INR 819,89,34,398 (Indian Rupees Eight Hundred Nineteen Crores Eighty Nine Lakhs Thirty Four Thousand Three Hundred Ninety Eight only) ("**Promoter Sale**

**Consideration**”), completion of which is subject to the satisfaction or waiver of identified conditions precedent (including, but not limited to, receipt of the Required Statutory Approval) as set out in the Promoter SPA, in compliance with applicable law, including the SEBI (SAST) Regulations. The Promoter SPA also sets forth the terms and conditions agreed between the Acquirer, the Target Company, Promoter, the Promoter Group Party and the Promoter Seller, and their respective rights and obligations.

- 2.1.4 Pursuant to, *inter-alia*, Share Subscription and Shareholders Agreement, Tag Holder Seller 1 and Tag Holder Seller 2 have a right to sell their pro-rata shares to the Acquirer on same terms and same price as those applicable to the sale of the Promoter Sale Shares by the Promoter Seller. The Tag Holder Seller 1 and Tag Holder Seller 2 have currently elected to sell part of their pro-rata shares, and any further shares, if any, offered by the Tag Holder Seller 1 and the Tag Holder Seller 2 may be purchased by the Acquirer, subject to compliance with SEBI (SAST) Regulations. Accordingly, 5,500 Equity Shares (representing 0.003% of Voting Share Capital) held by the Tag Holder Seller 1 (“**Tag Holder 1 Sale Shares**”) will be purchased by Acquirer concurrently with the purchase of Promoter Sale Shares by the Acquirer from the Promoter Seller in terms of the Underlying Transaction subject to provisions of SEBI (SAST) Regulations and in accordance with the terms of the Tag Holder 1 SPA. Further, 5,500 Equity Shares (representing 0.003% of Voting Share Capital) held by the Tag Holder Seller 2 (“**Tag Holder 2 Sale Shares**”) will be purchased by Acquirer concurrently with the purchase of Promoter Sale Shares by the Acquirer from the Promoter Seller in terms of the Underlying Transaction subject to provisions of SEBI (SAST) Regulations and in accordance with the terms of Tag Holder 2 SPA.
- 2.1.5 The proposed sale and purchase of by the Acquirer of: (a) the Promoter Sale Shares from the Promoter Seller in terms of the Promoter SPA; (b) the Tag Holder 1 Sale Shares from Tag Holder Seller 1 in terms of the Tag Holder 1 SPA; and (c) Tag Holder 2 Sale Shares from Tag Holder Seller 2 in terms of the Tag Holder 2 SPA, respectively, is referred to as the “**Underlying Transaction**”.
- 2.1.6 The details of Sale Shares proposed to be sold by Sellers to Acquirer pursuant to the SPAs are given below:

S. No	Name of the Seller	No of Sale Shares
1	KLR Products Limited	10,68,96,146
2	Krishi Rasayan Exports Private Limited	5,500
3	Agro Life Science Corporation, partnership firm (represented by its partners Rajesh Kumar Agarwal (PAN: ACKPA0924D) and Atul Churiwal (PAN: ADKPC2492H))	5,500
<b>TOTAL</b>		<b>10,69,07,146</b>

- 2.1.7 Since, on account of the SPAs, the Acquirer has entered into an agreement to acquire voting rights in excess of 25% (twenty-five per cent) of the equity share capital and control over the Target Company, this Open Offer is being made under Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations. Pursuant to the consummation of the Underlying Transaction (which is conditional upon the Required Statutory Approval and the satisfaction of the other

conditions precedents stipulated in the SPAs) and subject to compliance with SEBI (SAST) Regulations, the Acquirer will acquire control over the Target Company and the Acquirer shall become the promoter of the Target Company including in accordance with the provisions of the SEBI (LODR) Regulations. Upon sale of the Promoter Sale Shares pursuant to the Promoter SPA, the Promoter Seller is desirous that it will cease to be a member of the promoter/ promoter group of the Target Company in accordance with applicable law. In addition, Mrs. Kanumuru Lakshmi Raju (being a promoter of the Target Company) and Bright Town Investment Advisor Private Limited (being a member of the promoter group of Target Company) also intend to be reclassified as public shareholders in accordance with the procedures contained in the SEBI (LODR) Regulations.

2.1.8 As a consequence of the aforesaid 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.

2.1.9 The tabular details of the Underlying Transaction are set forth below:

Details of the Underlying Transaction						
Type of transaction (direct/ indirect)	Mode of transaction (agreement/ allotment/ market purchase)	Shares / voting rights acquired/ proposed to be acquired		Total consideration for shares / voting rights acquired (INR)	Mode of payment (cash/ securities)	Regulation which has triggered
		Number	% vis a vis total equity/ voting Capital <sup>(1)</sup>			
Direct	<p><b><u>Promoter SPA:</u></b></p> <p>The Acquirer has entered into the Promoter SPA dated March 12, 2025, with the Promoter Seller, Promoter, Promoter Group Party and Target Company pursuant to which the Acquirer has agreed to acquire from the Promoter Seller 10,68,96,146 (Ten Crores Sixty Eight Lakhs Ninety Six Thousand One Hundred Forty Six) Equity Shares representing 52.98% of the Voting Share Capital, completion of which is subject to the satisfaction of identified conditions precedent (including, but not limited to, receipt of</p>	10,68,96,146	52.98%	8,19,89,34,398	Cash	Regulations 3(1) and 4 of the SEBI (SAST) Regulations

Details of the Underlying Transaction						
Type of transaction (direct/indirect)	Mode of transaction (agreement/allotment/market purchase)	Shares / voting rights acquired/proposed to be acquired		Total consideration for shares / voting rights acquired (INR)	Mode of payment (cash/securities)	Regulation which has triggered
		Number	% vis a vis total equity/voting Capital <sup>(1)</sup>			
	the Required Statutory Approval) under the Promoter SPA.					
Direct	<b><u>Tag Holder 1 SPA:</u></b>  Acquirer has entered into the Tag Holder 1 SPA dated March 12, 2025 with the Tag Holder Seller 1 pursuant to which the Acquirer has agreed to acquire from the Tag Holder Seller 1, 5,500 Equity Shares representing 0.003% of the Voting Share Capital.	5,500	0.003%	4,21,850	Cash	Regulations 3(1) and 4 of the SEBI (SAST) Regulations
Direct	<b><u>Tag Holder 2 SPA:</u></b>  Acquirer has entered into the Tag Holder 2 SPA dated March 12, 2025 with the Tag Holder Seller 2 pursuant to which the Acquirer has agreed to acquire from the Tag Holder Seller 2, 5,500 Equity Shares representing 0.003% of the Voting Share Capital.	5,500	0.003%	4,21,850	Cash	Regulations 3(1) and 4 of the SEBI (SAST) Regulations
	<b>Total</b>	<b>10,69,07,146</b>	<b>52.98%</b>	<b>8,19,97,78,098</b>		

**Note:**

(1) Calculated as a percentage of the Voting Share Capital.

2.1.10 Pursuant to completion of this Open Offer and the consummation of Underlying Transaction, if the shareholding of the public shareholders in the Target Company falls below the minimum public shareholding requirement as per SCRR read with SEBI (LODR) Regulations, the Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time.

2.1.11 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.

2.1.12 **Salient features of the SPAs are set out below:**

2.1.12.1 **Salient features of the Promoter SPA:**

2.1.12.1.1 Completion of the purchase of the Promoter Sale Shares:

- (i) The completion of the transactions contemplated under the Promoter SPA is subject to: (i) the satisfaction of the Promoter SPA Conditions Precedent (*defined below*) by the Promoter Seller and the Target Company on or prior to 45 (forty-five) days from the date of execution of the Promoter SPA, or any other date as may be decided by the Acquirer and the Promoter Seller, in writing, provided that such date shall not be a date later than the Transaction Long Stop Date, i.e., a date that is 26 (twenty-six) weeks from the closure of the Open Offer (“**Transaction Long Stop Date**”); and (ii) the receipt of an approval of the Competition Commission of India under the Competition Act, 2002, read with the Competition Commission of India (Procedure in regard to the transaction of Business relating to Combinations) Regulations, 2011, for the transactions contemplated under the Promoter SPA, which does not impose any condition with respect to the Acquirer (or its Affiliates (*as defined in the Promoter SPA*)) that, in the opinion of the Acquirer: (a) would adversely affect the Acquirer (or its Affiliates (*as defined under the Promoter SPA*)) with respect to the transaction contemplated under the Promoter SPA or its ability to invest in the Target Company; (b) would adversely affect the Acquirer (or its Affiliates (*as defined under the Promoter SPA*)) with respect to their other investments or ability to invest in other companies; (c) modify the terms of the transactions contemplated under the Promoter SPA; and (d) are otherwise materially onerous to the Acquirer (or its Affiliates (*as defined under the Promoter SPA*)) (“**CCI Approval**”).
- (ii) Completion of the sale and purchase of Promoter Sale Shares under the Promoter SPA will be done in a single tranche by the Acquirer paying an aggregate amount equivalent to the Promoter Sale Consideration. Upon completion of the Promoter SPA Conditions Precedent (*defined below*) by the Promoter Seller and the Target Company to the satisfaction of the Acquirer, and receipt of the CCI Approval as described above, and expiry of at least 21 (twenty-one) Working Days from the date of issuance of the DPS, the Acquirer shall have the right but not the obligation, at its sole discretion, to deposit the entire consideration payable under this Open Offer (assuming full acceptance of this Open Offer) in such escrow account as provided for in Regulation 22(2) of the SEBI (SAST) Regulations (“**Open Offer Escrow Funding**”). The Acquirer will determine, in writing, the date on which the Closing (as defined under the Promoter SPA) will occur, which shall be a date that is at least 5 (five) Business Days (as defined under the Promoter SPA) from the later of the date of satisfaction of the Promoter SPA Conditions Precedent (*defined below*) by the Promoter Seller and the Target Company or the date of completion of the Open Offer Escrow Funding (if applicable), but no later than the Transaction Long Stop Date. Completion of the sale and purchase of Promoter Sale Shares under the Promoter SPA will take place during business hours on the Closing Date (*as defined under the Promoter*

SPA) through an “on-market” settlement or “off-market” (on a spot delivery basis), at the Acquirer’s discretion in accordance with applicable law.

- 2.1.12.1.2 Reconstitution of the board of directors of the Target Company: On the Closing Date (*as defined under the Promoter SPA*): (i) the Promoter Seller will obtain and deliver to the Acquirer and the Target Company, resignation letters from its nominee directors (including nominee directors of the Promoter, the Promoter Seller and the Promoter Group Party) (“**Existing Promoters**”) (collectively and individually)) on the board of directors of the Target Company and committees of the board of directors of the Target Company; and (ii) the Acquirer will have the right to appoint directors, as it may in its sole discretion determine.
- 2.1.12.1.3 Reclassification of the Existing Promoters: Subsequent to the Closing Date (*as defined in the Promoter SPA*), the Existing Promoters shall cease to be in “control” over the Target Company, as the term “control” is defined under the SEBI (SAST) Regulations, and the Promoter will no longer continue to be the “promoter” of the Target Company and the Promoter Seller and the Promoter Group Party will no longer be classified as “promoter group” of the Target Company. Each member of the Existing Promoters will be re-classified as a “public shareholder” of the Target Company in accordance with Regulation 31A of the SEBI (LODR) Regulations in course of this Open Offer, and the Existing Promoters will take all necessary steps for such re-classification.
- 2.1.12.1.4 Standstill obligations of the Target Company: The Existing Promoters and the Target Company have agreed to certain standstill obligations *inter-alia* including that the Target Company will: (i) conduct its operations only in the ordinary course of business; (ii) maintain and preserve the assets in good working order and condition consistent with past practice; and (iii) maintain and not allow to lapse any approvals required under applicable law for it to own, lease and operate the business. Between the date of execution of the Promoter SPA and the Closing Date (*as defined in the Promoter SPA*), unless the Acquirer otherwise agrees in writing, *inter alia*, the Target Company, will not: (i) take, or permit to be taken, any action in connection with any Insolvency Event (*as defined in the Promoter SPA*) in relation to the Target Company, its subsidiaries, its assets or the business of the Target Company; (ii) undertake any amendment to the charter documents of the Target Company and its subsidiaries; (iii) declare, pay or make any dividend (whether interim or final) or distribution (whether in cash, securities, property) on any class of Equity Shares; (iv) enter into any new line of business which is materially or meaningfully different from the existing lines of business of the Target Company; and (v) enter into or any strategic partnership or joint venture or undertake any corporate restructuring, reorganization, amalgamation, absorption, merger or demerger transaction involving the Target Company and its subsidiaries. It is also agreed between the parties to the Promoter SPA that the Existing Promoters shall ensure that the Target Company shall abide by the standstill obligations.
- 2.1.12.1.5 Conditions to closing: The Acquirer’s obligation to pay the Promoter Sale Consideration and purchase the Promoter Sale Shares on the Closing Date (*as defined in the Promoter SPA*), is subject to, and conditional upon, (i) CCI Approval; and (ii) the completion of certain agreed conditions precedent (*as detailed in the Promoter SPA*) to be completed by the Promoter Seller and the Target Company (“**Promoter SPA Conditions Precedent**”). Certain key Promoter SPA Conditions Precedent have been listed down below:

### **Key Promoter SPA Conditions Precedent**

- (i) no Material Adverse Effect (*as defined in the Promoter SPA*) or Fraud Event (*as defined in the Promoter SPA*) having occurred;
- (ii) the Target Company having obtained prior written approvals of the following lenders approving the change in control of the Target Company pursuant to the transactions contemplated under the Promoter SPA: (a) HDFC Bank Limited; (b) Axis Bank Limited; (c) SBM Bank (India) Limited; (d) Kotak Mahindra Bank Limited; (e) RBL Bank Limited; (f) Shinhan Bank; (g) Bajaj Finance Limited; (h) Yes Bank Limited; (i) SVC Co-operative Bank Limited; and (j) Doha Bank; and
- (iii) the Target Company having ensured that the audit of the annual financial statements for financial year 2024-25 is completed by its existing statutory auditor, KPMG, and such annual financial statements having been duly approved by the board of directors of the Target Company.

2.1.12.1.6 Non-compete and non-solicit restrictions: The Existing Promoters have agreed to certain non-compete and non-solicit restrictions under the Promoter SPA. No separate consideration is payable for the same.

2.1.12.1.7 Warranties and Indemnities: The Existing Promoters and the Target Company have extended certain customary warranties to the Acquirer. The Promoter Seller and the Promoter have agreed to, on a joint and several basis, indemnify, defend and hold harmless, the Acquirer, the Target Company and their Affiliates (*as defined in the Promoter SPA*) and their respective directors, officers, employees, agents, representatives and advisors (the “**Indemnified Parties**”) from and against any and all Losses (*as defined in the Promoter SPA*) arising out of or resulting from or in connection with the Indemnification Events (*as defined in the SPA*), suffered or incurred by the Indemnified Parties. Such indemnification obligation is subject to customary limits as agreed under the Promoter SPA.

2.1.12.1.8 Termination: The Promoter SPA can be terminated, *inter alia*, in the following circumstances: (a) by mutual consent of the parties to the Promoter SPA in writing at any time prior to the Closing Date (*as defined in the Promoter SPA*); (b) by the Acquirer at any time prior to the Closing Date (*as defined in the Promoter SPA*) by providing a notice (in writing): (A) if a Material Adverse Effect (*as defined in the Promoter SPA*) or a Fraud Event (*as defined in the Promoter SPA*) has occurred; (B) on the Closing Date (*as defined in the Promoter SPA*), if the Seller Warranties (*as defined in the Promoter SPA*) are not true, correct, accurate and complete or are misleading immediately prior to the Closing (*as defined in the Promoter SPA*); (C) if the Promoter SPA Conditions Precedent are not satisfied on or prior to the CP Long Stop Date (*as defined in the SPA*); (D) breach of any provisions in relation to the standstill obligations; and (E) if Closing (*as defined in the Promoter SPA*) does not occur in the manner and time envisaged in the Promoter SPA after remittance of the Promoter Sale Consideration by the Acquirer.

2.1.12.2 **Salient features of Tag Holder 1 SPA:**

2.1.12.2.1 **Completion of the purchase of the Tag Holder 1 Sale Shares:** Completion of the sale and purchase of Tag Holder 1 Sale Shares under the Tag Holder 1 SPA will be done under a single tranche by the Acquirer paying an aggregate amount. Acquirer will pay the Tag Holder 1 SPA Sale Consideration to Tag Holder Seller 1 by way of wire transfer to the bank account of Tag Holder Seller 1 on the Closing Date (*as defined under the Tag Holder 1 SPA*).

2.1.12.2.2 **Condition to Closing:** The completion of the transactions contemplated under the Tag Holder 1 SPA is subject to, and shall occur simultaneously with, the Closing (*as defined under the Promoter SPA*) under the Promoter SPA.

2.1.12.2.3 **Termination:** If the Promoter SPA is terminated or the Closing (*as defined under the Promoter SPA*) under the Promoter SPA does not take place for any reason whatsoever including non-receipt of approvals from a governmental authority, the Tag Holder 1 SPA shall automatically terminate and cease to have effect.

2.1.12.3 **Salient features of Tag Holder 2 SPA:**

2.1.12.3.1 **Completion of the purchase of the Tag Holder 2 Sale Shares:** Completion of the sale and purchase of Tag Holder 2 Sale Shares under the Tag Holder 2 SPA will be done under a single tranche by the Acquirer paying an aggregate amount. Acquirer will pay the Tag Holder 2 SPA Sale Consideration to Tag Holder Seller 2 by way of wire transfer to the bank account of Tag Holder 2 SPA Sale Shares on the Closing Date (*as defined under the Tag Holder 2 SPA*).

2.1.12.3.2 **Condition to Closing:** The completion of the transactions contemplated under the Tag Holder 2 SPA is subject to, and shall occur simultaneously with, the Closing (*as defined under the Promoter SPA*) under the Promoter SPA.

2.1.12.3.3 **Termination:** If the Promoter SPA is terminated or the Closing (*as defined under the Promoter SPA*) under the Promoter SPA does not take place for any reason whatsoever including non-receipt of approvals from a governmental authority, the Tag Holder 2 SPA shall automatically terminate and cease to have effect.

2.1.13 The proposed acquisition of voting rights in and control by the Acquirer over the Target Company is through the SPAs, as described above.

2.1.14 In terms of Regulation 16(1) of the SEBI (SAST) Regulations, this DLoF is being issued within 5 Working Days from the date of the DPS.

2.1.15 As of the date of this DLoF, the Acquirer does not have any nominee directors or representatives on the board of directors of the Target Company.

2.1.16 No person is acting in concert with the Acquirer for the purpose of this Open Offer.

2.1.17 The Acquirer has not been prohibited by SEBI from dealing in securities, in pursuant to the

terms of the directions issued under Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

- 2.1.18 As on the date of this DLoF, there are no directors on the Board directly representing the Acquirer.
- 2.1.19 If the aggregate number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the Offer Size, the Acquirer shall accept the Equity Shares received from the Public Shareholders on a proportionate basis, subject to acquisition of a maximum of 5,24,62,320 Equity Shares, representing 26.00% of the Voting Share Capital, in consultation with the Manager to the Offer.
- 2.1.20 The Offer is a mandatory offer and is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations and is not a competitive bid in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 2.1.21 As per Regulation 26(6) of the SEBI (SAST) Regulations, the board of directors of the Target Company is required to, upon receipt of the Detailed Public Statement, constitute a committee of independent directors to provide its written reasoned recommendations on the Open Offer to the Public Shareholders. As per Regulation 26(7) read with Regulation 26(6) of the SEBI (SAST) Regulations, the written reasoned recommendations of the committee of independent directors shall be published by the Target Company at least 2 (two) Working Days prior to the commencement of the Tendering Period in the same newspapers where the Detailed Public Statement was published and simultaneously, a copy of such recommendations needs to be sent to SEBI, the Stock Exchanges and to the Manager to the Offer.

## 2.2 Details of the proposed Offer

- 2.2.1 The Public Announcement made on March 12, 2025, announcing the Offer is in compliance with Regulations 3(1) and 4 read with Regulations 13(1), 14 and 15(1) of the SEBI (SAST) Regulations pursuant to the execution of Promoter SPA, Tag Holder 1 SPA and Tag Holder 2 SPA for the acquisition of substantial number of Equity Shares, voting rights and control over the Target Company. The Public Announcement was sent to Stock Exchanges on March 12, 2025. Public Announcement was also sent to SEBI and to the registered office of the Target Company on March 13, 2025 in terms of Regulation 14(2) of the SEBI (SAST) Regulations.
- 2.2.2 In accordance with Regulation 13(4) and Regulation 14(3) of SEBI (SAST) Regulations, the DPS dated March 19, 2025, was published in Newspapers mentioned below on March 20, 2025:

S. No.	Newspaper	Language	Editions
1.	Financial Express	English National Daily	All editions
2.	Jansatta	Hindi National Daily	All editions
3.	Navshakti	Marathi Regional Daily	Mumbai Edition*
4.	Surya	Telegu Regional Daily	Hyderabad Edition**

\*Marathi being the regional language at the place of the stock exchange where the maximum volume of trading in the shares of the target company are recorded during the sixty trading days preceding the date of the public announcement i.e. National Stock Exchange of India Limited

\*\*Telegu being the regional language at the place where the registered office of the Target Company is situated, i.e., Telangana (Hyderabad)

Simultaneously, a copy of the Detailed Public Statement was sent through the Manager to the Offer to: (a) SEBI; (b) the Stock Exchanges; and (c) the Target Company at its registered office, in accordance with Regulation 14(4) of the SEBI (SAST) Regulations.

- 2.2.3 A copy of the Public Announcement and the DPS are also available at SEBI’s website: (www.sebi.gov.in).
- 2.2.4 The Offer is being made by the Acquirer to all the Public Shareholders in terms of Regulations 3(1) and 4 of the SEBI (SAST) Regulations.
- 2.2.5 Pursuant to the Offer, the Acquirer proposes to acquire up to 5,24,62,320 Equity Shares, constituting 26% of the Voting Share Capital at an Offer Price of INR 76.70 per Offer Share, determined in accordance with SEBI (SAST) Regulations aggregating to total consideration of up to INR 4,02,38,59,944 (assuming full acceptance) payable by way of cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, subject to the terms and conditions mentioned in the Public Announcement, the Detailed Public Statement, this DLoF and in accordance with the SEBI (SAST) Regulations.
- 2.2.6 As on the date of this DLoF, there is only one class of Equity Shares and outstanding employee stock options of the Target Company pursuant to Employee Stock Option Scheme -2020 (“ESOS – 2020”). There are no: (i) partly paid-up equity shares of the Target Company, (ii) equity shares of the Target Company 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.

The Voting Share Capital is computed as per the table below:

<b>Particulars</b>	<b>No of Equity Shares</b>	<b>% of Voting Share Capital</b>
Fully paid-up Equity Shares	20,12,03,147	99.72
Employee stock options which shall vest on or prior to March 31, 2026 pursuant to ESOS – 2020 which are convertible into equal number of Equity Shares	5,74,997	0.28
<b>Voting Share Capital</b>	<b>20,17,78,144</b>	<b>100.00</b>

- 2.2.7 There is no differential pricing for this Offer.
- 2.2.8 The Offer Price is subject to revisions pursuant to SEBI (SAST) Regulations, if any, or at the discretion of the Acquirer at any time prior to 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) and Regulation 18(5) of the SEBI (SAST) Regulations
- 2.2.9 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations. Further there has been no competing offer under Regulation 20 of the SEBI (SAST) Regulations as on the date of this DLoF.

- 2.2.10 The Acquirer does not hold any Equity Shares or voting rights in the Target Company as on the date of this DLoF. The Acquirer has not acquired any Equity Shares between the date of the Public Announcement i.e. March 12, 2025 and the date of this DLoF.
- 2.2.11 The Equity Shares are listed on BSE (Scrip code: 524709) and NSE (Symbol: NACLIND). The ISIN of the Equity Shares is INE295D01020. The entire paid-up equity share capital of the Target Company is listed on the Stock Exchanges, except 17,63,971 Equity Shares (out of which 39,834 Equity Shares are allotted pursuant to employee stock option plan and 17,24,137 Equity Shares are allotted to EQ India Fund pursuant to preferential allotment (approved by shareholders of Target Company on January 9, 2025)). The Equity Shares have not been suspended from trading by any of the Stock Exchanges. The Equity Shares have not been delisted from any other 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 (Further details provided in paragraph 5.1 (Justification of Offer Price) below of this DLoF).
- 2.2.12 Please refer to paragraph 6.3 (Statutory and Other Approvals) in relation to the details of the statutory and other approvals required to complete the Underlying Transaction and the acquisition of the Offer Shares that are validly tendered pursuant to the Open Offer, which are outside the reasonable control of the Acquirer. In case any other statutory approvals become applicable and are required by the Acquirer at a later date before the closure of the Tendering Period, this Open Offer shall be subject to receipt of such further approvals. Where any statutory or other approval extends to some but not all the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Offer.
- 2.2.13 All the Equity Shares validly tendered under this Offer, to the extent of 26.00% of the Voting Share Capital, will be acquired by the Acquirer in accordance with the terms and conditions set forth in this DLoF. The Public Shareholders who tender their Equity Shares should ensure that the Equity Share are free from all liens, charges, equitable interests and encumbrances and the Equity Shares will be acquired together with the rights attached thereto, including all rights to dividend, bonus and rights offer, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis. All Equity Shares validly tendered by the Public Shareholders, to the extent of 26.00% of the Voting Share Capital, will be accepted at the Offer Price by the Acquirer in accordance with the terms and conditions contained in the Public Announcement, DPS and this DLoF.
- 2.2.14 If the aggregate number of Equity Shares validly tendered in this Open Offer by the Public Shareholders, is more than the Offer Size, then the Equity Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 5,24,62,320 Equity Shares, representing 26.00% of the Voting Share Capital, in consultation with the Manager to the Open Offer.
- 2.2.15 All Public Shareholders (including residents, non-resident Indians, overseas corporate bodies or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve 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 or overseas corporate bodies or foreign portfolio investors) had required any previous 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 the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals and supporting documents are not submitted, the Acquirer reserve the right to reject such Offer Shares.

- 2.2.16 In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals specified in paragraph 6.3 (Statutory and Other Approvals) of this DLoF or those which become applicable prior to completion of the Open Offer are refused or the Promoter SPA Conditions Precedent are not met for reasons outside the reasonable control of the Acquirer, then the SPAs may be rescinded and Acquirer shall have the right to withdraw the Open Offer. 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.
- 2.2.17 Pursuant to completion of this Open Offer and the consummation of Underlying Transaction, if the shareholding of the public shareholders in the Target Company falls below the minimum public shareholding requirement as per SCRR read with SEBI (LODR) Regulations, the Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time.
- 2.2.18 The Manager to the Offer does not hold any Equity Shares of the Target Company. The Manager to the Offer further declares and undertakes not to deal on their account in the Equity Shares during the Offer Period, in terms of Regulation 27(6) of SEBI (SAST) Regulations.

### **2.3 Object of the acquisition / Offer**

- 2.3.1 This Offer is a mandatory open offer made by the Acquirer in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the execution of SPAs to acquire in excess of 25% of the equity share capital of the Target Company and control over the Target Company.
- 2.3.2 Acquisition of the Target Company is expected to strengthen the Acquirer's presence in crop protection business both in domestic and export markets. Acquirer aims to leverage its management expertise, credit access, sourcing capabilities, and diversified presence in international markets to strengthen Target Company's operations.
- 2.3.3 In terms of Regulation 25(2) of the SEBI (SAST) Regulations, other than as stated in this DLoF, as at the date of this DLoF, the Acquirer does not have any plans to dispose of or otherwise encumber any material assets of the Target Company or of any of its subsidiaries in the next 2 (two) years from the date of completion of this Open Offer, except: (i) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business requirements); or (ii) as already agreed, disclosed and/or publicly announced by the Target Company; or (iii) on account of regulatory approvals or

conditions; or (iv) as required in compliance with any law that is or becomes binding on or applicable to the operations of the Target Company with the prior approval of the shareholders of the Target Company; or (v) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or business of the Target Company to improve the business of the Target Company; or (vi) in accordance with the prior decision of board of directors of the Target Company.

2.3.4 If the Acquirer intends to alienate any material asset of the Target Company or any of its subsidiaries within a period of 2 (two) years from the date of completion of this Open Offer, a special resolution of the shareholders of the Target Company or any of its subsidiaries, as applicable, in accordance with proviso to Regulation 25(2) of the SEBI (SAST) Regulations would be taken before undertaking any such alienation of any material assets.

2.3.5 The Acquirer does not intend to delist the Target Company pursuant to this Open Offer in accordance with the SEBI (SAST) Regulations and the SEBI (Delisting of Equity Shares) Regulations, 2021.

### **3. BACKGROUND OF THE ACQUIRER AND SELLERS**

#### **3.1 Acquirer**

3.1.1 The Acquirer is Coromandel International Limited, a listed public company limited by shares, having Corporate Identification Number (CIN): L24120TG1961PLC000892. Acquirer was incorporated in India on October 16, 1961, under the provisions of the Companies Act, 1956 in the state of Hyderabad under the name Coromandel Fertilisers Private Limited. On April 16, 1964, the name of the Acquirer was changed to 'Coromandel Fertilisers Limited'. On September 23, 2009, the name of the Acquirer was further changed to 'Coromandel International Limited'.

3.1.2 The Acquirer is part of Murugappa Group.

3.1.3 The registered office of the Acquirer is located at Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad - 500003, Telangana, India. The contact details of the Acquirer are as follows: Tel: 91-44-42525300 and email: shanmugasundaramb@coromandel.murugappa.com. The website of the Acquirer is <https://www.coromandel.biz>.

3.1.4 The Acquirer is inter-alia in the business of manufacture and distribution of agri-inputs comprising fertilisers, pesticides, specialty nutrients, organic products, biological solutions besides rural retailing and allied services in the agriculture sector.

3.1.5 The authorized share capital of the Acquirer is INR 60,00,00,000/- (Indian Rupees Sixty Crores only) comprising 55,00,00,000 (Fifty-Five Crores) equity shares having a face value of INR 1/- (Indian Rupee one only) each and 50,00,000 (Fifty Lakh) cumulative redeemable preference shares having a face value of INR 10/- (Indian Rupees Ten only) each. As on the date of the DLoF, the issued equity share capital of the Acquirer is INR 29,46,36,339/- (Indian Rupees Twenty-Nine Crores Forty Six Lakhs Thirty Six Thousand Three Hundred Thirty Nine only) comprising 29,46,36,339 equity shares of INR 1/- (Indian Rupee One only) each. No cumulative redeemable preference shares are issued and outstanding as on the date of this DLoF.

3.1.6 The shareholding pattern of the Acquirer as disclosed by it to BSE and NSE as of December 31, 2024 is set out below<sup>(1)</sup>:

S. No.	Category of Shareholder	Number of equity shares of the Acquirer held	Percentage of shares of the Acquirer held
1.	Promoter	16,78,36,279	56.97%
2.	FPI / Mutual Funds / Financial Institutions / Banks <sup>(2)</sup>	8,64,74,671	29.35%
3.	Public	4,03,11,069	13.68%
	<b>Total</b>	<b>29,46,22,019</b>	<b>100.00%</b>

**Notes:**

1. The above shareholding pattern does not include 14,320 equity shares which were allotted on March 1, 2025, pursuant to ESOP Scheme – 2016.
2. Includes mutual funds, AIF, banks, insurance companies, provident funds / pension funds, non-banking finance companies registered with RBI, other financial institutions and foreign institutions.

3.1.7 The equity shares of the Acquirer are listed on BSE (Scrip code: 506395) and NSE (Scrip code: COROMANDEL). The ISIN of the Acquirer is INE169A01031. The equity shares of the Acquirer are not currently suspended from trading on Stock Exchanges.

3.1.8 The details of: (a) promoters and members of the promoter group, (b) other significant shareholders (public shareholders holding more than 1% of the fully paid-up equity share capital of the Acquirer) of the Acquirer as disclosed by it to BSE and NSE under Regulation 31 of the SEBI (LODR) Regulations, as of December 31, 2024 are as follows:

**Promoter & Promoter Group of Acquirer:**

**Promoters:**

M. A. M. Arunachalam, Arun Alagappan, M. A. Alagappan, A. Vellayan, A. M. Meyyammai, A. Venkatachalam, V. Narayanan, V. Arunachalam, Arun Venkatachalam, M. V. Subbiah, S. Vellayan, Anannya Lalitha Arunachalam, M. M. Murugappan, M. M. Muthiah, M. M. Venkatachalam, M. V. Muthiah, M. V. Subramanian, A. Keertika Unnamalai, M. V. Subbiah as a Karta of HUF, A. Vellayan as a Karta of HUF, A. Venkatachalam as a Karta of HUF, M. M. Muthiah HUF represented by M. M. Murugappan, Karta, M. M. Murugappan HUF represented by M. M. Murugappan, Karta, M. A. Alagappan HUF represented by M. A. Alagappan, Karta, A. M. M. Arunachalam HUF represented by M. A. Alagappan, Karta, M. A. Murugappan HUF represented by M. A. M. Arunachalam, Karta, E.I.D. Parry (India) Limited, New Ambadi Estates Private Limited, Ambadi Investments Limited, Ambadi Enterprises Limited, Tube Investments of India Limited, Cholamandalam Financial Holdings Limited, Carborundum Universal Limited, Murugappa & Sons (M. V. Subbiah, M. A. Alagappan and M. M. Murugappan hold shares), M. M. Veerappan

## **Members of the Promoter Group:**

Umayal.R., Valli Annamalai, Meenakshi Murugappan, M V A.R. Meenakshi, Sigapi Arunachalam, V Vasantha, Valli Subbiah, Kanika Subbiah, Karthik Subbiah, Kabir Subbiah, Nagalakshmi Arunachalam, M. M. Seethalakshmi, Lakshmi Venkatachalam, A. A. Alagammai, Lakshmi Ramaswamy, Valli Alagappan, Bollampallay Rishika Reddy, Ahana Lalitha Narayanan, Krishna Murugappan Muthiah, M. M. Venkatachalam HUF represented by M. M. Venkatachalam, Dev Subramanian, Parry Infrastructure Company Private Limited, Yanmar Coromandel Agrisolutions Private Limited, Algavista Greentech Private Limited, Dare Ventures Limited (Formerly known as Dare Investments Limited), Parry Enterprises India Limited, Murugappa Management Services Private Limited (formerly Murugappa Management Services Limited), Shanthi Gears Limited, Cholamandalam Securities Limited, Cholamandalam Home Finance Limited, CG Semi Private Limited, Net Access (India) limited, Southern Energy Development Corporation Limited, Sterling Abrasives Limited, Wendt (India) Limited, Murugappa Morgan Thermal Ceramics Limited, M. A. Alagappan Holdings Private Limited, A. M. M. Vellayan Sons Private Limited, M. M. Muthiah Sons Private Limited, A.R. Lakshmi Achi Trust, M. A. Murugappan Holdings LLP, CG Power and Industrial Solutions Limited, Murugappa Educational and Medical Foundation, M. M. Muthiah Research Foundation, M. V. Seetha Subbiah Benefit Trust (M. V. Subbiah & Subbiah Vellayan holds shares on behalf of Trust), M. A. Alagappan Grand Children Trust (Arun Alagappan & A. A. Alagammai holds shares on behalf of Trust), Arun Murugappan Children's Trust (M.A.M. Arunachalam & Sigappi Arunachalam are Trustees), Murugappan Arunachalam Children Trust (Sigappi Arunachalam, M.A.M. Arunachalam & A.M. Meyyammai are Trustees), V. S. Bhairavi Trust (M. V. Subbiah & Kanika Subbiah holds shares on behalf of Trust), K. S. Shambhavi Trust (M. V. Subbiah & S. Vellayan holds shares on behalf of Trust), Lakshmi Ramaswamy Family Trust (A. A. Alagammai & Lakshmi Ramaswamy holds shares on behalf of Trust), M. M. Muthiah Family Trust (M. M. Murugappan & M. M. Muthiah holds shares on behalf of Trust), M. M. Veerappan Family Trust (M. M. Murugappan & Meenakshi Murugappan holds shares on behalf of Trust), M. V. Muthiah Family Trust (M. M. Venkatachalam and M. V. Muthiah hold shares on behalf of Trust), M. V. Subramanian Family Trust (M. M. Venkatachalam & M. V. Subramanian hold shares on behalf of Trust), Lakshmi Venkatachalam Family Trust (M. M. Venkatachalam & Lakshmi Venkatachalam are Trustees), M. M. Venkatachalam Family Trust, (M. M. Venkatachalam & Lakshmi Venkatachalam are Trustees), Saraswathi Trust (M. V. Subbiah, S Vellayan, M. V. Seetha Subbiah holds shares on behalf of Trust), Shambho Trust (M. V. Subbiah and S Vellayan holds shares on behalf of Trust), Pluss Advanced Technologies Limited, Murugappa Water Technology and Solutions Private Limited, TI Clean Mobility Private Limited, Payswiff Technologies Private Limited, Kan and More Private Limited, IPLTech Electric Private Limited, Moshine Electronics Private Limited, Coromandel Technology Limited, Dhaksha Unmanned Systems Private Limited, TI Medical Private Limited (Formerly known as Lotus Surgicals Private Limited), 3XPER Innoventure Limited, MAVCO Investments Private Limited, Jayem Automotives Private Limited, Coromandel Insurance and Multi Services Limited (formerly known as Coromandel Solutions Limited), Phase Lifestyle Private Limited, Coromandel Engineering Company Limited, UW Design LLP, Boat Club Ventures LLP, 3XPER Innoventure Labs Limited, Axiro Semiconductor Private Limited, Chola Foundation, Valliammai Murugappan, Parry America Inc., Alimtec S.A., CFL Mauritius Limited, Coromandel Australia Pty Ltd (formerly Sabero Australia Pty Ltd), Coromandel America SA (Formerly Sabero Organics America SA), Sabero Argentina SA, Coromandel Crop Protection Philippines Inc (Formerly Sabero Organics

Philippines Asia Inc.), Coromandel Agronegocios De Mexico S.A. DE C.V., Coromandel Brasil Ltd (Limited Liability Company), Tunisian Indian Fertilizer S.A., Tunisia, Foskor (Pty) Limited, South Africa, Coromandel International (Nigeria) Limited, Coromandel Mali SASU, Parry International DMCC, US Nutraceuticals Inc. (Formerly US Nutraceuticals LLC), Pluss Advanced Technologies B.V, Netherlands, Labelle Botanics LLC, Parry Murray and Company Limited, Financiere C10 SAS, Sedis SAS, Sedis Company Ltd., Sedis GmbH, Great Cycles (Private) Limited, Creative Cycles (Private) Limited, CUMI America Inc., CUMI (Australia) Pty Ltd, CUMI Middle East FZE, CUMI International Limited, Volszhsky Abrasives Works, Foskor Zirconia Pty Limited, South Africa, CUMI Abrasives and Ceramics Company Limited, China, CUMI Europe S.R.O, CUMIAwuko Abrasives GmbH (formerly CUMI GmbH) , RHODIUS Abrasives GmbH (Formerly Known as CUMI Abrasives GmbH), RHODIUS Nederland B.V., RHODIUSS.A.R.L., France, RHODIUS Korea Inc., South Korea , RHODIUSSouth America Ltd, Brazil, CUMI USA Inc., TICMPL Technology (Shenzhen) Co. Limited, Coromandel Vietnam Company Limited, Axiro Semiconductor Inc., Silicon Carbide Products LLC., CUMI USA Inc., Lakshmi Chockalingam, Lalitha Vellayan, Meyyammai Venkatachalam, Solachi Ramanathan, Uma Ramanathan, Dhruv M Arunachalam, Pranav Alagappan, M V Seetha Subbiah, Sivagami Natesan, Niranthara Alamelu Jawahar, Vedhika Meyyammai Arunachalam, Nila Lakshmi Muthiah, Arjun Vellayan Arunachalam, Madhav Murugappan, Adhi Venkatachalam, Coromandel Chemicals Limited (Formerly known as Parry Chemicals Limited), Parry Sugars Refinery India Private Limited, Parry Agro Industries Limited, Chola Insurance Distribution Services Private Limited, Chola Business Services Limited, Cholamandalam Investment and Finance Company Limited, Kartik Investments Trust Limited, CherryTin Online Private Limited, Cholamandalam MS General Insurance Company Limited, Cholamandalam MS Risk Services Limited, Chola People and Marketing Services Private Limited, CIRIA India Limited, Kadamane Estates Company (M A Alagappan hold shares on behalf of the firm), Yelnoorkhan Group Estates, AMM Foundation, Valli Subbiah Beneficent Trust (Subbiah Vellayan & M V Subbiah holds shares on behalf of Trust), Meenakshi Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan are Trustees), M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan hold shares on behalf of Trust), TIVOLT Electric Vehicles Private Limited, Payswiff PTE Limited, Singapore, Axiro Semiconductor Turkey Araştırma ve Geliştirme A.Ş.<sup>(1)</sup>, Axiro Semiconductor (Shenzhen) Co., Ltd<sup>(2)</sup>

**Notes:**

1. Addition to the promoter group of the Acquirer on March 7, 2025.
2. Addition to the promoter group of the Acquirer as on March 20, 2025.

**Other significant shareholders (public shareholders holding more than 1% of fully paid-up equity share capital) of the Acquirer:**

Axis ELSS Tax Saver Fund, SBI Arbitrage Opportunities Fund, UTI Small Cap Fund, Kotak Mahindra Trustee Co Ltd A/C Kotak Quant Fund, DSP Quant Fund, LICI New Endowment Plus-Growth Fund, Groupe Chimique Tunisien, Investor Education and Protection Fund Authority

- 3.1.9 Brief information on the market price of the equity shares of the Acquirer on BSE and NSE where the equity shares of the Acquirer are listed, is provided below:

Particulars	BSE		NSE	
	Highest closing Price	Lowest closing price	Highest closing Price	Lowest closing price
September 2024	1,743.30	1,635.30	1,743.35	1,634.15
October 2024	1,727.70	1,564.25	1,728.00	1,566.25
November 2024	1,813.00	1,634.05	1,806.45	1,634.55
December 2024	1,881.75	1,758.35	1,879.95	1,757.95
January 2025	1,958.40	1,712.55	1,958.30	1,713.45
February 2025	1,885.55	1,661.50	1,884.10	1,666.95

(Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com))

- 3.1.10 The Company Secretary and Compliance Officer of the Acquirer is Mr. B Shanmugasundaram (e-mail: [ShanmugasundaramB@coromandel.murugappa.com](mailto:ShanmugasundaramB@coromandel.murugappa.com)), Contact No: +91-44-42523500 / 5400.

- 3.1.11 Acquirer has received a certificate dated March 26, 2025 from R. Sridharan & Associates, Company Secretaries, wherein it has been confirmed that Acquirer has complied with the requirements related to corporate governance as stipulated in the SEBI (LODR) Regulations, as applicable for the 9 (nine) months period ended December 31, 2024 except as mentioned below:

*“During the period under review, on July 11, 2024, BSE Limited and National Stock Exchange of India Limited had imposed a fine of Rs. 10,000/- each for non-compliance of Regulation 17(1)(b) of the SEBI (LODR) Regulations, for delay in appointment of Independent Director of the Acquirer by 2 (two) days thereby affecting the composition of the board of directors of the Acquirer for 2 (two) days i.e. March 30, 2024 and March 31, 2024. However, the board of directors of the Acquirer at their meeting held on January 30, 2024 had appointed Mr. Suresh Subramanian as Independent Director with effect from April 01, 2024”*

- 3.1.12 Neither the Acquirer nor its directors or key employees have any relationship or interest in the Target Company except for the Underlying Transaction, as detailed in paragraph 2.1 (Background of this Offer) of this DLoF.

- 3.1.13 There are no common directors on the board of directors of the Target Company and the board of directors of the Acquirer as on the date of this DLoF. The Acquirer has not nominated any director on the board of directors of Target Company.

3.1.14 The details of the directors of the Acquirer are as follows:

Name and Designation	Date of initial appointment	Director Identification Number (DIN)	Qualification	Experience
Mr. Arun Alagappan <b>Designation:</b> Whole-time Director	11-11-2020	00291361	Mr Arun Alagappan has completed Owner / President Management Program from Harvard Business School.	Mr Arun Alagappan joined Murugappa Group in 1999. In past he has served as Managing Director of Chola Investment and Finance Company Limited. He currently serves on board of multiple companies inter-alia, Acquirer, TCL Intermediates Private Limited, Thirumalai Chemicals Limited, LMW Ltd., Dare Ventures Limited, Southern India Chamber of Commerce & Industry.
Mr. Sankarasubramanian S <b>Designation:</b> Managing Director	01-02-2023	01592772	Mr. Sankarasubramanian S is a graduate in Mathematics from University of Madras and member of The Institute of Cost Accountants of India. He has also completed Advanced Management Program from Harvard Business School.	Mr. Sankarasubramanian S joined EID Parry (India) Limited in 1993. He was elevated to position of Managing Director of Acquirer in August 2024. He currently serves on board of multiple companies inter-alia, Acquirer, Coromandel Technology Limited, The Fertilizer Association of India and Coromandel Chemicals Limited.
Mr. Raghuram Devarakonda <b>Designation:</b> Whole-time Director	01-02-2023	09749805	Mr. Raghuram Devarakonda holds Degree of Master of Science in Engineering from University of California, Berkeley. He is also B.Tech – Mechanical Engineering, IIT Bombay.	Mr. Raghuram Devarakonda serves on the board of Acquirer, Yanmar Coromandel Agrisolutions Private Ltd, Coromandel Insurance and Multiservices Limited, Coromandel Technology Limited
Mr. Arunachalam Vellayan <b>Designation:</b> Whole-time Director	06-05-2024	08011680	Mr. Arunachalam Vellayan holds degree of Bachelor of Commerce from University of Madras. He also holds Masters of Science in Accounting and Financial Management from The University of Lancaster.	Mr. Arunachalam Vellayan serves on board of Acquirer, New Ambadi Estates Private Limited
Mr. Narayanan Vellayan <b>Designation:</b> Whole-time Director	06-05-2024	07774406	Mr. Narayanan Vellayan holds Bachelor of Law degree from University of Bristol.	Mr. Narayanan Vellayan currently serves on board of Acquirer, Southern India Chamber of Commerce and Industry
Mr. Suresh Subramanian <b>Designation:</b> Independent Director	01-04-2024	02070440	Mr. Suresh Subramanian is a Chartered Accountant.	Mr. Suresh Subramanian serves on boards of multiple companies inter-alia, Acquirer, Veritas Finance Limited,

Name and Designation	Date of initial appointment	Director Identification Number (DIN)	Qualification	Experience
				Saksoft Limited, and Delphi-TVS Technologies Limited.
Mr. Aditya Himatsingka <b>Designation:</b> Independent Director	01-10-2023	00138970	Mr. Aditya Himatsingka holds B.Com. degree from Calcutta University in 1985 and he has also completed Post Graduate course in Textile Technology from Philadelphia College of Textile in USA.	Mr Aditya Himatsingka serves on boards of Acquirer, LMW Limited. In past he has served on board of Aditya Resources Limited.
Mr. Adnan Wajhat Ahmad <b>Designation:</b> Independent Director	01-10-2023	00046742	Mr. Adnan Wajhat Ahmad is a Chemical Engineer from University of Ottawa. Further he has completed Masters of Science in Engineering from Queen's University.	Mr. Adnan Wajhat Ahmad serves on boards of Acquirer, DIC India Limited. In past he was also associated with Castrol India Limited.
Mr. Sudarshan Venu <b>Designation:</b> Independent Director	03-02-2022	03601690	Mr Sudarshan Venu has completed Masters of Science in International Technology Management from University of Warwick. He has also graduated from University of Pennsylvania.	Mr Sudarshan Venu is a Managing Director of TVS Motor Company Limited. He also serves on boards of multiple companies inter-alia, Acquirer, TVS Credit Services Limited, Galaxy Health Insurance Company Limited, TVS Holdings Limited and TVS Housing Finance Private Limited
Dr. Deepali Pant Joshi <b>Designation:</b> Independent Director	01-02-2023	07139051	Dr. Deepali Pant Joshi holds degree of Doctorate in Philosophy in Arts from University of Allahabad. She has completed courses on study, and research at Harvard University under Joint Asia Center / Asia Society Fellows Program of International Education and Cultural Exchange. She is a member of Bar Council, Uttar Pradesh.	Dr. Deepali Pant Joshi serves on boards of multiple companies inter-alia, Acquirer, Home Credit India Finance Private Limited, LMW Limited, TVS Credit Services Limited, Aurobindo Pharma Limited. In past she has also worked as executive director of Reserve Bank of India.
Mr. Durgashankar Subramanian <b>Designation:</b> Independent Director	19-08-2024	00044713	Mr. Durgashankar Subramanian is a Chartered Accountant. He has also completed Advanced Management Program from Harvard Business School.	Mr. Durgashankar Subramanian serves on boards of multiple companies, inter-alia, Acquirer, Seshasayee Paper and Boards Limited, E.I.D Parry (India) Limited.

3.1.15 As on the date of this DLoF, the Acquirer does not hold shares in the Target Company. Furthermore, the Acquirer has not acquired any Equity Shares after the date of the PA till the date of this DLoF.

- 3.1.16 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.
- 3.1.17 Neither the Acquirer nor any of its promoters, directors, key managerial personnel (as defined in the Companies Act, 2013) 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 in terms of Regulation 2(1)(ze) of the SEBI (SAST) Regulations; or (ii) a ‘fugitive economic offender’ under Section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018) in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.
- 3.1.18 The summary financial information of the Acquirer for each of the three financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 and 9 months ended December 31, 2024 is as follows:

(INR Crores except per share data)

<b>PROFIT AND LOSS STATEMENT</b>				
<b>Particulars<sup>(1)</sup></b>	<b>Financial Year ended 2021-22 (Audited)</b>	<b>Financial Year ended 2022-23 (Audited)</b>	<b>Financial Year ended 2023-24 (Audited)</b>	<b>9 months ended Dec 24 (Limited Reviewed)</b>
Total Revenue from Operations	19,110.85	29,627.90	22,058.39	19,096.85
Other Income	144.27	171.13	231.36	232.77
<b>Total Income</b>	<b>19,255.12</b>	<b>29,799.03</b>	<b>22,289.75</b>	<b>19,329.62</b>
Total Expenditure (Excl Depreciation, Interest and Tax) <sup>(2)</sup>	16,960.99	26,701.74	19,659.64	16,894.54
<b>Profit Before Depreciation Interest and Tax</b>	<b>2,294.13</b>	<b>3,097.29</b>	<b>2,630.11</b>	<b>2,435.08</b>
Depreciation	172.65	181.95	228.56	204.99
Interest	75.47	190.01	186.57	196.56
<b>Profit Before share of profit/(loss) of joint venture and associates</b>	<b>2,046.01</b>	<b>2,725.33</b>	<b>2,214.98</b>	<b>2,033.53</b>
Share of profit/ (loss) or joint venture and associates (net)	3.74	(24.49)	(26.53)	(36.80)
Profit Before Tax	2,049.75	2,700.84	2,188.45	1,996.73
Provision for Tax	521.29	687.91	547.81	520.48
Profit after tax attributable to non controlling interest	-	-	(1.55)	(10.54)
<b>Profit after tax attributable to owners of the Company</b>	<b>1,528.46</b>	<b>2,012.93</b>	<b>1,642.19</b>	<b>1,486.79</b>

<b>BALANCE SHEET</b>				
<b>Particulars<sup>(1)</sup></b>	<b>Financial Year ended 2021-22 (Audited)</b>	<b>Financial Year ended 2022-23 (Audited)</b>	<b>Financial Year ended 2023-24 (Audited)</b>	<b>9 months ended Dec 24 (Limited Reviewed)</b>
<b>Sources of funds</b>				
Paid up share capital	29.35	29.40	29.44	NA
Other Equity	6,328.92	7,878.39	9,390.46	NA
<b>Net worth</b>	<b>6,358.27</b>	<b>7,907.79</b>	<b>9,419.90</b>	<b>NA</b>

<b>BALANCE SHEET</b>				
<b>Particulars<sup>(1)</sup></b>	<b>Financial Year ended 2021-22 (Audited)</b>	<b>Financial Year ended 2022-23 (Audited)</b>	<b>Financial Year ended 2023-24 (Audited)</b>	<b>9 months ended Dec 24 (Limited Reviewed)</b>
Non-Controlling Interests	-	-	26.93	NA
<b>Non - Financial Liabilities</b>				
Provisions	33.71	43.86	48.89	NA
Deferred tax liabilities (Net)	65.97	59.09	82.73	NA
Other Non-Financial Liabilities	269.96	213.25	141.62	NA
<b>Financial Liabilities</b>				NA
Borrowings (other than debt securities)	0.04	4.60	51.79	NA
Lease liabilities	394.92	387.98	440.33	NA
Trade Payables	3,913.54	5,313.77	5,360.64	NA
Other Financial Liabilities	248.33	304.46	278.67	NA
<b>Total</b>	<b>11,284.74</b>	<b>14,234.80</b>	<b>15,851.50</b>	<b>NA</b>
<b>Uses of Funds</b>				
<b>Non-Financial Assets</b>				
Plant, Property and Equipment	1,701.44	1,828.09	2,386.05	NA
Capital work-in-progress	119.81	376.37	205.28	NA
Right-of-use asset	382.44	362.88	402.78	NA
Goodwill	0.32	0.32	284.93	NA
Intangible Assets under development	21.39	22.95	30.18	NA
Other Intangible Assets	7.37	9.13	37.95	NA
Deferred tax assets (net)	-	-	6.12	NA
Other tax assets	4.81	0.22	18.44	NA
Inventories	3,663.23	4,416.45	4,612.50	NA
<b>Other Non financial assets</b>	<b>853.22</b>	<b>815.89</b>	<b>1,172.21</b>	<b>NA</b>
<b>Financial Assets</b>				
Cash and Cash Equivalents	706.01	1,393.76	1,124.76	NA
Other Bank Balances	1,047.27	24.00	1,733.82	NA
Trade Receivables	559.01	2,967.18	2,770.69	NA
Loans	1,940.00	1,697.52	75.07	NA
Investments	243.46	286.66	853.75	NA
Other Financial Assets	34.96	33.38	136.97	NA
<b>Total</b>	<b>11,284.74</b>	<b>14,234.80</b>	<b>15,851.50</b>	<b>NA</b>

OTHER FINANCIAL DATA				
Particulars	Financial Year ended 2021-22 (Audited)	Financial Year ended 2022-23 (Audited)	Financial Year ended 2023-24 (Audited)	9 months ended Dec 24 (Limited Reviewed)
Dividend % <sup>(3)</sup>	1200.00%	1200.00%	600.00%	600.00%
Basic Earnings Per Share (Rs)	52.09	68.51	55.81	50.53 <sup>(4)</sup>
Diluted Earnings Per Share (Rs)	51.98	68.38	55.75	50.45 <sup>(4)</sup>
Return on Net worth <sup>(5)</sup>	24.04%	25.46%	17.43%	NA
Book value per share (Rs) <sup>(6)</sup>	216.64	268.96	319.92	NA

The Commitments and Contingent Liabilities as on March 31, 2024 of the Acquirer are as below:

Sr. No.	Particulars	Amount (in Rupees Crores)
<b>Contingent Liabilities</b>		
1	Excise duty	1.82
2	Customs duty	8.20
3	Sales tax	11.19
4	Income tax	28.72
5	Service tax	1.33
6	GST	8.37
7	Others	50.20
<b>Total</b>		<b>109.83</b>
<b>Commitments</b>		
1	Capital expenditure commitments	111.60
<b>Total</b>		<b>111.60</b>

**Notes:**

- (1) The key financial information of the Acquirer for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 has been extracted from their respective year audited consolidated financial statements. The key financial information for 9 months ended December 31, 2024 has been extracted from unaudited (limited reviewed) consolidated financial statements to the extent available.
- (2) Total expenditure includes Profit / (Loss) but excludes depreciation and finance costs
- (3) Dividend % = Gross Dividend per share declared for the year / face value per share
- (4) On unannualised basis
- (5) Return on networth: profit / (loss) after tax / networth
- (6) Book value per share: Net worth/total number of Equity Shares

**Source:** Certificate dated March 18, 2025, issued by SSPA & Co, Chartered Accountants FRN: 128851W (Mr Parag Ved, Partner, membership number :102432)

## 3.2 SELLERS

3.2.1 The details of Sellers have been set out hereunder:

Name of the Seller	Nature of the entity/ Individual	Details of change in name in the past (if applicable)	Registered office	Part of the promoter group of the Target Company	Name of the group	Name of the stock exchange in India or abroad, where listed (if applicable)	Details of Equity Shares/voting rights held by Sellers in the Target Company			
							Pre-transaction <sup>(1)</sup>		Post-transaction <sup>(2)</sup>	
							Number of Equity Shares	% of Voting Share Capital	Number of Equity Shares	% of Voting Share Capital
KLR Products Limited	A public company limited by shares	Erstwhile G.S.R Products Limited. Name changed to KLR Products Limited w.e.f. March 23, 2010.	No.8-2-248/1/7/78,Plot No.12-A, C-Block, Lakshmi Towers, Nagarjuna Hills, Panjagutta, Hyderabad, Telangana, India - 500082.	Yes	NA	NA as the securities are not listed on any stock exchanges	11,36,23,500	56.31%	67,27,354	3.33%
Krishi Rasayan Exports Private Limited	A private Company limited by shares	Not applicable	29 Lala Lajpat Rai Sarani 4th Floor, Kolkata, West Bengal, India - 700020	No	Krishi Rasayan Group	NA as the securities are not listed on any stock exchanges	1,56,25,000	7.74%	1,56,19,500	7.74%
Agro Life Science Corporation, partnership firm (represented by its partners Rajesh Kumar Agarwal (PAN: ACKPA0924D) and Atul Churiwal (PAN: ADKPC2492H))	Registered partnership firm bearing registration number L79064 with Registrar of Firms, West Bengal	Not applicable	1115, Hemkunt Tower, 98, Nehru Place, South Delhi, Delhi - 110019	No	Krishi Rasayan Group	NA as the securities are not listed on any stock exchanges	1,56,25,000	7.74%	1,56,19,500	7.74%
<b>Total</b>							<b>14,48,73,500</b>	<b>71.80%</b>	<b>3,79,66,354</b>	<b>18.82%</b>

**Notes:**

- 1) The pre-transaction shareholding percentage of the Sellers is calculated after considering the Voting Share Capital as of the date of this Draft Letter of Offer.
- 2) The post-transaction shareholding of the Sellers reflects the shareholding of the Sellers post consummation of the Underlying Transaction.

3.2.2 The Sellers have not been 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.

3.2.3 Upon sale of the Promoter Sale Shares pursuant to the Promoter SPA, the Promoter Seller is desirous that it will cease to be a member of the promoter/ promoter group of the Target Company in accordance with applicable law. In addition, Mrs. Kanumuru Lakshmi Raju (being a promoter of the Target Company) and Bright Town Investment Advisor Private Limited (being a member of the promoter group of Target Company) also intend to be reclassified as public shareholders in accordance with the procedures contained in the SEBI (LODR) Regulations.

#### **4. BACKGROUND OF THE TARGET COMPANY**

- 4.1. The Target Company is a listed public company limited by shares. Target Company was incorporated on November 11, 1986 under the provisions of the Indian Companies Act, 1956 in the name of East India Finance Limited in Calcutta. The name of the Target Company was changed to Chem Agro International Limited on January 11, 1993. The name of the Target Company was further changed to Nagarjuna Agrichem Limited on September 26, 1996. The name of the Target Company was further changed to NACL Industries Limited on September 4, 2017.
- 4.2. The registered office of the Target Company is situated at No: 8-2-248/1-7-78, Plot No.12-A, Lakshmi Towers, Block 'C', Nagarjuna Hills, Panjagutta, Hyderabad, Telangana, 500082. The Corporate Identification Number of the Target Company is L24219TG1986PLC016607. Website of the Target Company is [www.naclind.com](http://www.naclind.com)
- 4.3. The Target Company is in the business of crop protection and manufactures both technicals (active ingredient) and formulations. It manufactures all kinds of pesticides, insecticides, acaricides, herbicides, fungicides and other plant growth chemicals. Target Company's formulation business is mainly in the Indian market and sells through its large retail dealer network spread across India. The Target Company has a range of branded formulations. It also exports technicals and formulations and does toll manufacture for certain multinational companies.
- 4.4. The authorized share capital of the Target Company is INR 25,00,00,000/- (Indian Rupees Twenty-Five Crore only) comprising 25,00,00,000 (Twenty-Five Crore) Equity Shares having a face value of INR 1/- (Indian Rupees one only) each. The issued, subscribed and paid up share capital of the Target Company is INR 20,12,03,147 (Indian Rupees Twenty Crores Twelve Lakhs Three Thousand One Hundred Forty-Seven only) divided into 20,12,03,147 (Twenty Crores Twelve Lakhs Three Thousand One Hundred Forty-Seven) as on the date of this DLoF.
- 4.5. The Equity Shares are listed on BSE (Scrip Code: 524709; Scrip ID: NACLIND;) and NSE (Symbol: NACLIND) The ISIN of Equity Shares is ISIN: INE295D01020. The entire paid-up equity share capital of the Target Company is listed on the Stock Exchanges, except 17,63,971 Equity Shares (out of which 39,834 Equity Shares are allotted pursuant to employee stock option plan and 17,24,137 Equity Shares are allotted to EQ India Fund pursuant to preferential allotment (approved by shareholders of Target Company on January 9, 2025)). The Equity Shares have not been suspended from trading by any of the Stock Exchanges. The Equity Shares have not been delisted from any other 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 (Further details provided in Section 5 (Offer Price and Financial Arrangements) below of this DLoF).
- 4.6. As on the date of this DLoF, there is only one class of Equity Shares and outstanding employee stock options pursuant to Employee Stock Option Scheme -2020 ("ESOS – 2020"). There are no (i) partly paid-up equity shares of the Target Company, (ii) equity shares of the Target Company 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.

4.7. The Equity Shares are frequently traded on the NSE in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations as on the date of this DLoF.

4.8 The Voting Share Capital is as follows:

<b>Particulars</b>	<b>No. of Equity Shares</b>	<b>% of Voting Share Capital</b>
Fully paid-up Equity Shares	20,12,03,147	99.72
Employee stock options which shall vest on or prior to March 31, 2026 pursuant to ESOS – 2020 which are convertible into equal number of Equity Shares	5,74,997	0.28
<b>Voting Share Capital</b>	<b>20,17,78,144</b>	<b>100.00</b>

4.9 The trading of the Equity Shares is currently not suspended on BSE and NSE.

4.10 As on the date of this DLoF, 17,24,137 Equity Shares held by EQ India Fund and 1,27,05,860 Equity Shares held by Mrs. Kanumuru Lakshmi Raju (being a promoter of the Target Company) are under lock-in.

4.11 During the last 3 years, the Target Company has not undertaken any activities with respect to merger / demerger or spin off.

4.12 On February 8, 2019, Promoter, Promoter Seller, Tag Holder Seller 1, Tag Holder Seller 2, and Target Company entered into the Share Subscription and Shareholders Agreement. Pursuant to this, Tag Holder Seller 1 and Tag Holder Seller 2 have been given certain rights such as, right to appoint nominee directors, Tag Right.

4.13 The composition of the Board is as follows:

<b>S. No.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>	<b>Date of initial appointment</b>
1.	K Lakshmi Raju	Chairperson & Non-executive Director	00545776	24-06-2004
2.	Veera Bhadrani Garimella	Whole Time Director	00114611	12-03-2025
3.	Raj Kaul	Non-independent & non-executive Director	00394139	05-05-2023
4.	Sudhakar Kudva	Independent Director	02410695	16-09-2008
5.	Veni Mocherla	Independent Director	08082163	26-03-2020
6.	Sambasiva Rao Nannapaneni	Independent Director	06400663	14-02-2020
7.	Ramkrishna Mudholkar	Independent Director	00012850	04-11-2019
8.	Santanu Mukherjee	Independent Director	07716452	27-07-2023
9.	Lakshmi Kantam Mannepalli	Independent Director	07831607	23-01-2024
10.	Rajesh Kumar Agarwal	Nominee Director	00210719	29-05-2019
11.	Atul Churiwal	Nominee Director	00180595	29-05-2019

- 4.14 The key financial information of the Target Company based on its audited consolidated financial statements for the March 31, 2024, March 31, 2023, March 31, 2022 and 9 months ended December 31, 2024 is as follows:

(INR Crores except per share data)

<b>PROFIT AND LOSS STATEMENT</b>				
<b>Particulars<sup>(1)</sup></b>	<b>Financial Year ended 2021-22 (Audited)</b>	<b>Financial Year ended 2022-23 (Audited)</b>	<b>Financial Year ended 2023-24 (Audited)</b>	<b>9 months ended Dec 24 (Limited Reviewed)</b>
Total Revenue from Operations	1,640.16	2,115.51	1,778.73	1,033.09
Other Income	13.42	9.99	8.56	7.42
<b>Total Income</b>	<b>1,653.58</b>	<b>2,125.50</b>	<b>1,787.29</b>	<b>1,040.51</b>
Total Expenditure (Excl Depreciation, Interest and Tax) <sup>(2)</sup>	1,499.33	1,922.99	1,761.71	1,022.10
<b>Profit/(Loss) Before Depreciation Interest and Tax</b>	<b>154.25</b>	<b>202.51</b>	<b>25.58</b>	<b>18.41</b>
Depreciation	24.96	28.15	27.24	21.01
Interest	26.65	47.33	75.72	51.00
<b>Profit/(Loss) Before share of profit/(loss) of joint venture and associates</b>	<b>102.64</b>	<b>127.03</b>	<b>(77.38)</b>	<b>(53.60)</b>
Share of profit/ (loss) or joint venture and associates (net)	(2.80)	1.38	1.08	0.06
<b>Profit/(Loss) Before Tax</b>	<b>99.84</b>	<b>128.41</b>	<b>(76.30)</b>	<b>(53.54)</b>
Provision for Tax	26.42	33.54	(17.41)	(11.41)
<b>Profit/(Loss) after tax</b>	<b>73.42</b>	<b>94.87</b>	<b>(58.89)</b>	<b>(42.13)</b>

(INR Crores except per share data)

<b>BALANCE SHEET</b>				
<b>Particulars<sup>(1)</sup></b>	<b>Financial Year ended 2021-22 (Audited)</b>	<b>Financial Year ended 2022-23 (Audited)</b>	<b>Financial Year ended 2023-24 (Audited)</b>	<b>9 months ended Dec 24 (Limited Reviewed)</b>
<b>Sources of funds</b>				
Paid up share capital	19.83	19.88	19.92	NA
Other Equity	468.54	554.06	491.18	NA
<b>Net worth</b>	<b>488.37</b>	<b>573.94</b>	<b>511.10</b>	<b>NA</b>
<b>Non - Financial Liabilities</b>				
Provisions	13.20	17.24	20.67	NA
Deferred tax liabilities (Net)	10.13	9.15	-	NA
Other Non-Financial Liabilities	20.52	30.22	21.25	NA
<b>Financial Liabilities</b>				
Borrowings (other than debt securities)	525.18	720.84	788.65	NA
Lease liabilities	4.99	3.14	0.43	NA
Trade Payables	388.91	484.51	329.59	NA
Other Financial Liabilities	59.18	76.23	146.58	NA
<b>Total</b>	<b>1,510.48</b>	<b>1,915.27</b>	<b>1,818.27</b>	<b>NA</b>

<b>BALANCE SHEET</b>				
<b>Particulars<sup>(1)</sup></b>	<b>Financial Year ended 2021-22 (Audited)</b>	<b>Financial Year ended 2022-23 (Audited)</b>	<b>Financial Year ended 2023-24 (Audited)</b>	<b>9 months ended Dec 24 (Limited Reviewed)</b>
<b>Uses of Funds</b>				
<b>Non-Financial Assets</b>				
Plant, Property and Equipment	203.81	369.24	398.50	NA
Capital work-in-progress	104.56	55.26	28.13	NA
Right-of-use asset	33.31	31.25	35.32	NA
Intangible Assets under development	11.79	15.42	18.40	NA
Other Intangible Assets	1.09	1.90	4.76	NA
Deferred tax assets (net)	-	1.44	10.07	NA
Other tax assets	4.74	4.66	10.65	NA
Inventories	410.71	491.01	347.32	NA
Other Non financial assets	86.57	79.15	110.29	NA
<b>Financial Assets</b>				
Cash and Cash Equivalents	69.94	41.48	32.32	NA
Other Bank Balances	32.10	31.97	33.61	NA
Trade Receivables	528.97	771.51	766.69	NA
Loans				
Investments	12.63	14.04	15.15	NA
Other Financial Assets	10.26	6.94	7.06	NA
<b>Total</b>	<b>1,510.48</b>	<b>1,915.27</b>	<b>1,818.27</b>	<b>NA</b>

<b>OTHER FINANCIAL DATA</b>				
<b>Particulars<sup>(1)</sup></b>	<b>Financial Year ended 2021-22 (Audited)</b>	<b>Financial Year ended 2022-23 (Audited)</b>	<b>Financial Year ended 2023-24 (Audited)</b>	<b>9 months ended Dec 24 (Limited Reviewed)</b>
Dividend % <sup>(3)</sup>	55.00%	70.00%	0.00%	0.00%
Basic Earnings Per Share (Rs)	3.71	4.78	(2.96)	(2.11) <sup>4</sup>
Diluted Earnings Per Share (Rs)	3.70	4.77	(2.95)	(2.11) <sup>4</sup>
Return on Net worth <sup>(5)</sup>	15.03%	16.53%	-11.52%	NA
Book value per share (Rs) <sup>(6)</sup>	24.63	28.86	25.66	NA

**The Commitments and Contingent Liabilities as on March 31,2024 of the Target Company are as below:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (in Rupees Crores)</b>
<b>Contingent Liabilities</b>		
1	Excise duty	0.17
2	Service tax	0.15
3	Income tax	6.18
4	Sales tax	0.94
5	GST	4.15
6	Export Benefit (MEIS)	1.99
7	Others	1.35
<b>Total</b>		<b>14.93</b>
<b>Commitments</b>		
1	Estimated amount of contracts, remaining to be executed on capital account and not provided for (net of advance)	2.92
<b>Total</b>		<b>2.92</b>

**Notes:**

- (1) The key financial information of the Target Company for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 has been extracted from their respective year audited consolidated financial statements. The key financial information for 9 months ended December 31, 2024 has been extracted from unaudited (limited reviewed) consolidated financial statements to the extent available.
- (2) Total expenditure includes Profit / (Loss) but excludes depreciation and finance costs
- (3) Dividend % = Gross Dividend per share declared for the year / face value per share
- (4) On unannualised basis
- (5) Return on networth : profit / (loss) after tax / networth
- (6) Book value per share: Net worth/total number of Equity Shares

**Source:** Certificate dated March 18, 2025, issued by SSPA & Co, Chartered Accountants FRN: 128851W (Mr Parag Ved, Partner, membership number :102432)

4.15 Pre and post Offer Shareholding pattern of the Target Company pre-Offer (as on December 31, 2024 (as disclosed to the Stock Exchanges)) and post-Offer is as follows is as provided below:

Shareholders Category	Shareholding and voting rights prior to the SPAs and the Open Offer		Shares/voting rights agreed to be acquired which triggered the Open Offer (i.e. after completion under the SPAs)		Shares/voting rights to be acquired in Offer (assuming full acceptance)		Shareholding/ voting rights after the completion of the acquisitions under the SPAs and the Open Offer acquisition (assuming full acceptance) <sup>(5)</sup>	
	(A)		(B)		(C)		(A) + (B) + (C)	
	Number	% <sup>(1)</sup>	Number	% <sup>(1)</sup>	Number	% <sup>(1)</sup>	Number	% <sup>(1)</sup>
<b>1.Promoter and Promoter Group</b>								
<b>(a) Parties to the SPAs</b>								
KLR Products Limited	11,36,23,500	56.31	(10,68,96,146)	(52.98)			67,27,354	3.33
<b>(b) Promoters other than (a) above</b>								
K Lakshmi Raju	1,27,05,860	6.30	-				1,27,05,860	6.30
Bright Town Investment Advisor Private Limited	5,86,499	0.29	-				5,86,499	0.29
<b>Total 1(a+b)</b>	<b>12,69,15,859</b>	<b>62.90</b>	<b>(10,68,96,146)</b>	<b>(52.98)</b>			<b>2,00,19,713</b>	<b>9.92</b>
<b>2.Parties to the SPAs other than (1)</b>								
Krishi Rasayan Exports Private Limited	1,56,25,000	7.74	(5,500)	(0.003)			1,56,19,500	7.74
Agro Lifescience Corporation	1,56,25,000	7.74	(5,500)	(0.003)			1,56,19,500	7.74
<b>(3) Acquirer</b>								
<b>(a) Acquirer</b>			10,69,07,146	52.98	4,36,12,285	21.61	15,05,19,431	74.60
<b>Total 2 (a)</b>			<b>10,69,07,146</b>	<b>52.98</b>				
<b>4.Public (other than parties to the agreement, Acquirer)</b>								
<b>(a) Fis/MFs/Banks/ SFIs, other institutions<sup>(2)</sup></b>	3,30,398	0.16						
<b>(b) Others<sup>(3)</sup></b>	4,27,06,890	21.17						
<b>(c) Employee stock options considered for determining Expanded Voting Share Capital<sup>(4)</sup></b>	5,74,997	0.28			(4,36,12,285) <sup>(5)</sup>	(21.61) <sup>(5)</sup>	-	-
<b>Total 4 (a+b+c)</b>	<b>4,36,12,285</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>(4,36,12,285)</b>	<b>(21.61)</b>	<b>-</b>	<b>-</b>
<b>Grand Total (1+2+3+4)</b>	<b>20,17,78,144</b>	<b>100</b>			<b>-</b>	<b>-</b>	<b>20,17,78,144</b>	<b>100</b>

**Notes:**

1. Computed as % of Voting Share Capital.

2. Refers to foreign portfolio investors category I
3. Refers to non-institutional public shareholders.
4. Employee stock options which shall vest on or prior to March 31, 2026 pursuant to ESOS – 2020 which are convertible into equal number of Equity Shares.
5. Assuming entire acceptance of Equity Shares from the remaining public shareholders (excluding parties to the SPAs)
6. The number of shareholders of the Target Company in the 'public category' as on December 31, 2024 is 33,357.

## 5. **OFFER PRICE AND FINANCIAL ARRANGEMENTS**

### 5.1 **Justification of Offer price**

5.1.1. The Equity Shares are listed on BSE (Scrip Code: 524709; Scrip ID: NACLIND;) and NSE (Symbol: NACLIND) and are currently not suspended from trading on BSE and NSE. The ISIN of Equity Shares is ISIN: INE295D01020.

5.1.2. The trading turnover in the Equity Shares based on the trading volumes during the 12 (twelve) calendar months prior to the calendar month in which the PA is made i.e. March 01 2024 to February 28, 2025 on the BSE and NSE is as under:

Stock Exchanges	Traded turnover of Equity Shares of the Target Company during the twelve months period ("A")	Weighted average number of Equity Shares during the twelve months period ("B")	Trading turnover % (A/B)
BSE	64,95,986	19,93,71,930	3.26
NSE	6,81,65,843	19,93,71,930	34.19

*Source: BSE and NSE website and as certified pursuant to Certificate dated March 12, 2025, issued by SSPA & Co, Chartered Accountants (FRN: 128851W (Mr. Parag Ved, Partner, membership number :102432).*

5.1.3. Based on the above, the Equity Shares are frequently traded on NSE in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.

5.1.4. The Offer Price of INR 76.70 (Indian Rupees Seventy-Six and Seventy Paise only) per Equity Share is justified in terms of Regulation 8(1) and Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of following parameters:

S. 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 Sale Share under the SPAs	INR 76.70
(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 it, during the 52 (fifty two) weeks immediately preceding the date of the PA	N.A. <sup>(1)</sup>
(c)	The highest price paid or payable per Equity Share for any acquisition, whether by the Acquirer or any person acting in concert with it, during the 26 (twenty six) weeks immediately preceding the date of the PA	N.A. <sup>(1)</sup>
(d)	The volume-weighted average market price of the Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of the PA, as traded on the stock exchange where the maximum volume of trading in the Equity Shares are recorded during Twelve Months Period and such shares are frequently traded	INR 65.30

S. No.	Details	Price
(e)	Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the Manager taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies	N.A.(2)
(f)	The per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, if applicable	N.A.(3)

Notes:

- (1) Acquirer has not acquired any Equity Shares during the fifty-two weeks or twenty-six weeks immediately preceding the date of the Public Announcement.
- (2) Not applicable as the Equity Shares are frequently traded.
- (3) Not applicable since the acquisition is not an indirect acquisition.

*Source: Certificate dated March 12, 2025, issued by SSPA & Co, Chartered Accountants (FRN: 128851W (Mr. Parag Ved, Partner, membership number: 102432).*

- 5.1.5. In view of the parameters considered and presented in the table in paragraph 5.1.4 above, the minimum offer price per Equity Share under Regulation 8(2) of the SEBI (SAST) Regulations is the highest of item numbers (a) to (f) above i.e. INR 76.70 (Indian Rupees Seventy-Six and Seventy Paise only) per Equity Share. Accordingly, the Offer Price is justified in terms of the SEBI (SAST) Regulations.
- 5.1.6. There have been no corporate actions by the Target Company warranting adjustment of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls within 3 (three) Working Days prior to the commencement of Tendering Period of this Offer.
- 5.1.7. Pursuant to Regulation 8(17) of the SEBI (SAST) Regulations, there has been no confirmation for any reported event or information provided by the Target Company due to any material price movement as per the framework specified under Regulation 30(11) of the SEBI (LODR) Regulations and thus no exclusion or adjustment has been made for determination of offer price under the SEBI (SAST) Regulations.
- 5.1.8. As on the date of this DLoF, there has been no revision in the Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer shall comply with Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations and other applicable provisions of the SEBI (SAST) Regulations.
- 5.1.9. 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, in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding increase to the escrow amount (under Regulation 18(5) of SEBI (SAST) Regulations), as more particularly set out in paragraph 5.2 (Financial Arrangements) of this DLoF; (ii) make public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously notify the Stock Exchanges, SEBI and the Target Company at its registered office of such revision. Such revision would be done in compliance with applicable requirements prescribed under the SEBI (SAST) Regulations.

- 5.1.10. 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.
- 5.1.11 If the Acquirer acquires Equity Shares 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, or pursuant to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended, 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.

## **5.2 Financial arrangements:**

- 5.2.1. The total consideration for the Offer Size at the Offer Price, assuming full acceptance of this Offer, is INR 4,02,38,59,944 (Indian Rupees Four Hundred Two Crores Thirty-Eight Lakhs Fifty Nine Thousand Nine Hundred Forty Four) (“**Maximum Consideration**”).
- 5.2.2. The Acquirer vide board resolution dated March 12, 2025 has confirmed that it has adequate resources for fulfilling the payment obligations under this Open Offer in terms of Regulation 25(1) of the SEBI SAST Regulations and that the Acquirer is able to implement this Open Offer. The source of funds is internal accruals.
- 5.2.3. The Acquirer, the Manager and HDFC Bank Limited, having registered office at HDFC Bank House, Lower Parel, Senapati Bapat Marg, Mumbai-400013, India (“**Escrow Bank**”) have entered into an escrow agreement dated March 13, 2025 (“**Offer Escrow Agreement**”). Pursuant to the Offer Escrow Agreement, the Acquirer has opened an escrow account under the name and title of “COROMANDEL INTERNATIONAL LTD. OPEN OFFER ESCROW A/c” bearing account number: 57500001732691 (“**Offer Escrow Account**”) with the Escrow Bank. In accordance with Regulation 17(4) and 17(5) of the SEBI (SAST) Regulations, the Acquirer has made a cash deposit of INR 4,10,00,000 (Indian Rupees Four Crores Ten Lakhs only) (“**Escrow Amount**”) in the Escrow Account which has been confirmed vide a confirmation letter dated March 15, 2025 issued by the Escrow Bank. This cash deposit is in excess of 1% (one percent) of the Maximum Consideration.
- 5.2.4. The Acquirer has also furnished an unconditional, irrevocable and on demand bank guarantee dated March 13, 2025 from HDFC Bank Limited, through its branch situated at E-13/29 2nd Floor, Harsha Bhavan, Middle Circle, Connaught Place, New Delhi 110001, having bank guarantee no. 004GT01250720004 for an amount of INR 105,00,00,000 (Indian Rupees One Hundred and Five Crores only) valid up to September 12, 2025 in favour of Manager to the Offer (“**Guarantee**”) in the Escrow Account in accordance with the Regulation 17(3), 17(4) and 17(6) of the SEBI (SAST) Regulations. The Guarantee amount is in compliance with the requirements as per Regulation 17 of the SEBI (SAST) Regulations, i.e. 25% of the first INR

500,00,00,000 of the Maximum Consideration and 10% of the remainder of the Maximum Consideration. The Acquirer undertakes that in case the process of the Open Offer is not completed within validity of Guarantee then the Guarantee shall be further extended at least up to 30th day from the date of completion of payment of the Equity Shares validly tendered in the Open Offer. The Manager to the Offer has been solely authorized and empowered by the Acquirer to operate and realize the Escrow Amount lying to the credit of the Escrow Account and the Guarantee in accordance with the SEBI (SAST) Regulations. Further, Escrow Bank is neither an associate company nor a group company of the Acquirer.

- 5.2.5. After considering aforementioned, SSPA & Co., Chartered Accountants (FRN 128851W) (Parag Ved, Partner, membership number: 102432) having its office at 1st Floor Arjun, Plot No 6A, V.P. Road, Andheri – W, Mumbai – 400058, Tel: +91 22 26704376, vide a certificate dated March 12, 2025 have certified that: (a) the Acquirer has sufficient means and capability for the purpose of fulfilling its obligations under the Open Offer/ implementing the Open Offer; (b) the Acquirer has adequate and firm financial resources/ arrangements through verifiable means to fulfill the obligations under the Open Offer; and (iii) the aforementioned financial arrangement is free from any liens, encumbrances or disability and is adequately liquid to meet the obligations of the Acquirer under the Open Offer.
- 5.2.6. Based on the above, the Manager is satisfied: (a) about the adequacy of resources to meet the financial requirements of the Open Offer and the ability of the Acquirer to implement the Open Offer in accordance with the SEBI (SAST) Regulations; and (b) that firm arrangements for payment through verifiable means are in place to fulfill the obligations under the Open Offer.
- 5.2.7. In case of any upward revision in the Offer Price or the Offer Size, the Acquirer shall deposit additional funds in the Offer Escrow Account as required under the Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.
- 5.2.8. In terms of Regulation 22(2) and the proviso to Regulation 22(2A) of the SEBI (SAST) Regulations, subject to the Acquirer depositing in the Offer Escrow Account, cash of an amount equal to 100% of the Maximum Consideration, the Acquirer may, after the expiry of 21 (twenty one) Working Days from date of the DPS and subject to the terms of the Promoter SPA (as set out in paragraph 2 (Details of the Offer), complete the purchase of the Promoter Sale Shares, the Tag Holder 1 Sale Shares and the Tag Holder 2 Sale Shares and appoint its directors on the board of directors of the Target in terms of the Promoter SPA (as set out in Paragraph 2 (Details of the Offer).

## **6. TERMS AND CONDITIONS OF THE OFFER**

### **6.1. Operational Terms and Conditions**

- 6.1.1. The Open Offer is being made by the Acquirer to all the Public Shareholders, to acquire up to 5,24,62,320 (Five Crores Twenty Four Lakhs Sixty Two Thousand Three Hundred Twenty) Equity Shares, representing 26% (Twenty Six Per Cent) of the Voting Share Capital, subject to the terms and conditions mentioned in the Public Announcement, the Detailed Public Statement and this Draft Letter of Offer, and the Letter of Offer.
- 6.1.2. This Offer is being made by the Acquirer to (i) 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; (ii) 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 (iii) those persons who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer but who are not the registered Public Shareholders.

- 6.1.3. The Identified Date for this Open Offer as per the indicative schedule of major activities is April 25, 2025. In terms of the indicative schedule of key activities, the Tendering Period for the Open Offer is expected to commence on May 13, 2025, and close on May 26, 2025 (both days inclusive).
- 6.1.4. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.
- 6.1.5. This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 6.1.6. All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer 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 previous 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 the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserve the right to reject such Offer Shares.
- 6.1.7. The acceptance of this Open Offer is entirely at the discretion of the Public Shareholders. 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 6.3 (Statutory and Other Approvals) of this DLOF, the Acquirer has up to 10 (ten) Working Days from the Offer Closing Date to pay the consideration to the Public Shareholders whose Equity Shares are accepted in the Open Offer.
- 6.1.8. 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 should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, all rights of dividends, bonuses or rights from now on and declared hereafter.
- 6.1.9. The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms and conditions of this Offer. The Public Shareholders can write to the Registrar to the Offer / Manager to the Offer requesting for the Letter of Offer along with Form of Acceptance-cum-Acknowledgement. Alternatively, the Letter of Offer along with the Form of Acceptance cum Acknowledgement is also expected to be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and the Public Shareholders can also apply by downloading such forms from the website.

- 6.1.10. Each Public Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.
- 6.1.11. Accidental omission to dispatch this DLoF to any Public Shareholder to whom this Offer has been made or non-receipt of this Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way.
- 6.1.12. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1.
- 6.1.13. The locked-in Equity Shares, if any, may be tendered in the Open Offer and transferred to the Acquirers 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 to the Open Offer shall ensure that there shall be no discrimination in the acceptance of locked-in and non locked-in Equity Shares.
- 6.1.14. 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.
- 6.1.15. There has been no revision in the Offer Price or Offer Size as of the date of this DLoF. Acquirer reserve the right to revise the Offer Price and/or the number of Offer Shares upwards at any time prior to the commencement of 1 (One) Working Day prior to the commencement of the Tendering Period, i.e., up to, in accordance with the SEBI (SAST) Regulations. 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, (ii) make a public announcement in the same newspapers in which the DPS was published, and (iii) simultaneously notify Stock Exchanges, SEBI and the Target Company at its registered office. In case of any revision of the Offer Price, the Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Open Offer and accepted under the Open Offer in accordance with the terms of the LOF.
- 6.1.16. All the Equity Shares validly tendered under this Offer to the extent of the Offer Size will be acquired by the Acquirer in accordance with the terms and conditions set forth in the Draft Letter of Offer.
- 6.1.17. The Acquirer and Manager to the Offer shall not be (nor shall any persons deemed to be acting in concert with the Acquirer be) responsible in any manner 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 the Public Shareholders are advised to adequately safeguard their interests in this regard.
- 6.1.18. A tender of Equity Shares pursuant to any of the procedures described in the Draft Letter of Offer will constitute a binding agreement between the Acquirer and the tendering holder, including the tendering holder's acceptance of the terms and conditions of the Draft Letter of Offer.

**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.**

## **6.2. Eligibility for accepting the Offer**

- 6.2.1. The Letter of Offer (along with the Form of Acceptance-cum-Acknowledgement) shall be sent to all Public Shareholders holding the Equity Shares, whether dematerialized form or physical form, whose names appear in the records of Depositories at the close of business hours on the Identified Date. Accidental omission to dispatch the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Open Offer in any way.
- 6.2.2. All Public Shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period, are eligible to participate in this Offer.
- 6.2.3. The Public Announcement, the DPS, this Draft Letter of Offer, the Letter of Offer and the Form of Acceptance cum-Acknowledgment will also be available on SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)). In case of non-receipt of the Letter of Offer, the Public Shareholders, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgment from SEBI's website.
- 6.2.4. 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. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s).
- 6.2.5. By accepting this Offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirer for the purpose of this Offer in terms of the SEBI (SAST) Regulations.
- 6.2.6. The acceptance of this Offer by the Public Shareholders must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
- 6.2.7. The acceptance of Equity Shares tendered in this Offer will be made by the Acquirer in consultation with the Manager to the Offer. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition a maximum of 5,24,62,320 Equity Shares, representing 26% of the Voting Share Capital, in consultation with the Manager to the Offer.
- 6.2.8. All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer 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 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 the Offer 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 Offer Shares.

6.2.9. For any assistance please contact the Manager to the Offer or the Registrar to the Offer.

### **6.3. Statutory and Other Approvals:**

- 6.3.1. Other than the Required Statutory Approval, to the best of the knowledge of the Acquirer, there are no statutory or other approvals required to complete the acquisition of the Offer Shares as on the date of this DLoF. If, however, any statutory or other approval becomes applicable prior to completion of the Offer, the Offer would also be subject to such other statutory or other approval(s).
- 6.3.2. All Public Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Open Offer and submit such approvals, along with the other documents required to accept this Open Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Open Offer. Further, if the holders of the Equity Shares who are not persons resident in India (including NRI, OCB, and FII / FPI) 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 acquiring/ holding the Equity Shares, to tender the Offer Shares held by them, 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 Offer Shares.
- 6.3.3. In case of delay in receipt of any statutory approval that may be required by the Acquirer at a later date, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations, grant an extension of time to the Acquirer to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer.
- 6.3.4. Where any statutory approval 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 approvals are required in order to complete this Offer.
- 6.3.5. In terms of Regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals specified in paragraph 6.3 (Statutory and Other Approvals) of this DLoF or those which become applicable prior to completion of the Open Offer are refused or the Promoter SPA Conditions Precedent are not met for reasons outside the reasonable control of the Acquirer, then the SPAs may be rescinded and Acquirer shall have the right to withdraw the Open Offer. 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.

- 6.3.6. Subject to receipt of statutory and other approvals, the Acquirer shall complete all procedures relating to payment of consideration under this Open Offer within 10 (ten) Working Days from the date of closure of the Tendering Period of the Open Offer to those Public Shareholders whose Equity Shares are accepted in the Open Offer and whose share certificates (if applicable) or other documents are found valid and in order and are approved for acquisition by the Acquirer.
- 6.3.7. By agreeing to participate in this Open Offer (i) the holders of the Equity Shares who are persons resident in India and the (ii) the holders of the Equity Shares who are persons resident outside India (including NRIs, OCBs and FPIs) give the Acquirer the authority to make, sign, execute, deliver, acknowledge and perform all actions to file applications and regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Acquirer for such regulatory filings, if required by the Acquirer.

## **7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER**

- 7.1. The Offer will be implemented by the Acquirer, subject to applicable laws through an Acquisition Window, i.e., Stock Exchange Mechanism made available by the Stock Exchanges in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021, and such other circulars or notifications as may be applicable, including any further amendments thereof or statutory modifications for the time in force issued by SEBI (“**Acquisition Window Circulars**”).
- 7.2. BSE shall be the Designated Stock Exchange for the purpose of tendering Equity Shares in the Offer.
- 7.3. The facility for acquisition of shares through Stock Exchange mechanism pursuant to Offer shall be available on the Stock Exchanges in the form of a separate Acquisition Window.
- 7.4. All the Public Shareholders who desire to tender their Equity Shares under the Offer would have to approach their respective stock brokers (“**Selling Broker(s)**”), during the normal trading hours of the secondary market during the Tendering Period. The Buying Broker may also act as Selling Broker for Public Shareholders.
- 7.5. The Acquirer has appointed JM Financial Services Limited as the “Buying Broker” for the Offer through whom the purchases and settlement of Equity Shares tendered in this Offer shall be made.
- 7.6. Contact details for the Buying Broker are as follows: -

### **JM Financial Services Limited**

**Address:** 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025, India.

**Tel. No.:** +91 22 6704 3000 / 3024 3853

**Fax No.:** +91 22 6761 7222

**Contact Person:** Mr Sanjay Bhatia

**Email ID:** sanjay.bhatia@jmfl.com

**Website:** www.jmfinancialservices.in

- 7.7. The Selling Broker can enter orders for physical and dematerialised Equity Shares. The cumulative quantity tendered shall be displayed on the BSE's website (www.bseindia.com/) throughout the trading session at specific intervals during the Tendering Period. Upon finalization of the entitlement, only accepted quantity of Equity Shares will be debited from the demat account of the concerned Public Shareholder.
- 7.8. Modification/cancellation of orders will not be allowed during the Tendering Period.
- 7.9. During the Tendering Period, the tender of the Equity Shares by the Public Shareholders in this Offer will be placed through their respective Selling Brokers during normal trading hours of the secondary market.
- 7.10. The cumulative quantity tendered shall be displayed on the Stock Exchanges website throughout the trading session at specific intervals by the Stock Exchanges during Tendering Period.
- 7.11. Public Shareholders have to ensure that their Equity Shares are made available to their seller brokers in order to mark the lien, before the closure of the Tendering Period. 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.
- 7.12. Public Shareholders can tender their shares only through a broker with whom the Public Shareholder is registered as client (KYC Compliant). In the event Seller Broker(s) are not registered with BSE or NSE if the Public Shareholder does not have any stock broker then that Public Shareholder can approach any BSE or NSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE or NSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Public Shareholder is not able to bid using quick UCC facility through any other BSE or NSE registered stock broker then the Public Shareholder may approach Buyer Broker viz. JM Financial Services Limited, to bid by using quick UCC facility. The Public Shareholder approaching BSE or NSE registered stock broker (with whom he does not have an account) may have to submit following details:

7.12.1. **In case of Public Shareholder being an individual**

- (a) If Public Shareholder is registered with KYC Registration Agency ("KRA"): Forms required:
- i. Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable
  - ii. Know Your Client (KYC) form Documents required (all documents self-attested): Bank details (cancelled cheque)
  - iii. Demat details (Demat Master /Latest Demat statement) assuming the Equity Shares are in dematerialized mode.
- (b) If Public Shareholder is not registered with KRA: Forms required (duly filled and completed):
- i. CKYC form including FATCA, IPV, OSV if applicable

- ii. KRA form
- iii. KYC form Documents required (all documents self-attested): PAN card copy, address proof and bank account details (cancelled cheque)
- iv. Demat details (Demat master /Latest Demat statement) assuming the Equity Shares are in dematerialised mode

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

#### 7.12.2. In case Public Shareholder is an HUF

(a) If Public Shareholder is registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KYC form documents required (all documents self-attested): Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement) assuming the Equity Shares are in dematerialised mode.

(b) If Public Shareholder is not registered with KRA: Forms required:

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. 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)
- iv. Demat details (Demat master /Latest Demat statement) assuming the Equity Shares are in dematerialised mode.

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

#### 7.12.3. In case of Public Shareholder other than Individual and HUF

(a) If Public Shareholder is KRA registered: Form required:

- i. Know Your Client (KYC) form Documents required (all documents certified true copy) Bank details (cancelled cheque)
- ii. Demat details (Demat master /Latest Demat statement) assuming the Equity Shares are in dematerialised mode
- iii. FATCA, IPV, OSV if applicable
- iv. Latest list of directors/authorised signatories/partners/trustees
- v. Latest shareholding pattern
- vi. Board resolution
- vii. Details of ultimate beneficial owner along with PAN card and address proof
- viii. Last 2 years financial statements

(b) If Public Shareholder is not KRA registered: Forms required:

- i. KRA form
- ii. Know Your Client (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)
- iii. Demat details (Demat Master /Latest Demat statement) assuming the Equity Shares are in dematerialised mode
- iv. FATCA, IPV, OSV if applicable
- v. Latest list of directors/authorised signatories /partners/trustees
- vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees
- vii. Latest shareholding pattern
- viii. Board resolution/partnership declaration
- ix. Details of ultimate beneficial owner along with PAN card and address proof
- x. Last 2 years financial statements
- xi. MOA/Partnership deed /trust deed

*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.*

### **7.13. Procedure for tendering Equity Shares held in dematerialised form**

- 7.13.1. The Public Shareholders who are holding Equity Shares in electronic/ dematerialised form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares that such Public Shareholder intends to tender in this Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 7.13.2. 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 order/bid, the Public Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the Stock Exchanges or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- 7.13.3. Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 7.13.4. On receipt of TRS from the respective Seller Broker, the Public Shareholder has successfully placed the bid in the Offer.
- 7.13.5. Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 7.13.6. For custodian participant, orders for demat Equity Shares 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 the Stock Exchanges on the last day of the Tendering Period.

Thereafter, all unconfirmed orders shall be deemed to be rejected.

7.13.7. 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 the Stock Exchanges / Clearing Corporation, before the opening of the Offer.

7.13.8. The Public Shareholders will have to ensure that they keep their 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 Offer.

7.13.9. The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

#### **7.14. Procedure for tendering Equity Shares held in Physical Form**

7.14.1. 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 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.

7.14.2. 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.

7.14.3. 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.

7.14.4. 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.**

- 7.14.5. 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., Link Intime Private 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 “**NACL Industries 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.
- 7.14.6. 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’.
- 7.14.7. 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.
- 7.14.8. 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.
- 7.14.9. 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.
- 7.15. Procedure for tendering the shares in case of non-receipt of Letter of Offer**

- 7.15.1. Public Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- 7.15.2. A Public Shareholder may participate in the Offer by approaching their Selling Broker and tender Shares in the Offer as per the procedure mentioned in the Letter of Offer or in the relevant Form of Acceptance-cum-Acknowledgment.
- 7.15.3. The Letter of Offer along with a Form of Acceptance-cum-Acknowledgement, will be dispatched to all the Public Shareholders, whose names appear on the register of members of the Target Company and to the Beneficial Owners of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, at the close of business hours on the Identified Date.
- 7.15.4. In case of non-receipt of the Letter of Offer, such Public Shareholders may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
- 7.15.5. The Letter of Offer along with the Form of Acceptance cum Acknowledgment would also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and Public Shareholders can also apply by downloading such forms from the said website.
- 7.15.6. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the 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 tendered and other relevant documents. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by Stock Exchanges before the closure of the Offer. Physical share certificates and other relevant documents should not be sent to the Acquirer, Target Company or the Manager.

## **7.16. Acceptance of Shares**

- 7.16.1. Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 7.16.2. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer 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. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1.
- 7.16.3. 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.

## **7.17. Settlement Process**

- 7.17.1. On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list of accepted Equity Shares tendered in this Offer shall be provided to the Stock Exchanges to facilitate settlement on the basis of Equity Shares transferred to the Clearing Corporation.
- 7.17.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the Acquisition Window Circulars. 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) should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of the Clearing Corporation.
- 7.17.3. For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders bank account linked to its demat account. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/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 shareholders.
- 7.17.4. 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 Public Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 7.17.5. The Public Shareholders holding Equity Shares in dematerialized form will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer. Further they should ensure that they update their bank account details with their correct account number used in core banking and IFSC codes.
- 7.17.6. For the Public Shareholder(s) holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Broker's settlement bank accounts for releasing the same to the respective Public Shareholder's account.
- 7.17.7. Details in respect of acceptance for Open Offer process will be provided to the Clearing Corporation by the Target Company or Registrar to the Open Offer. On receipt of the same, Clearing Corporation will cancel the excess or unaccepted blocked shares in the demat account of the shareholder. On settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporations
- 7.17.8. In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. Source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by Target Company's depository either based on cancellation request received from Clearing Corporations or automatically generated after matching with bid accepted detail as received from the Target Company or the Registrar to the Open Offer. Post receiving the IDT message from Target Company's depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of Tendering Period and

receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.

- 7.17.9. The direct credit of Equity Shares shall be given to the demat account of Acquirer as indicated by the Buyer Broker.
- 7.17.10. Once the basis of acceptance is finalized, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of Equity Shares to the demat account of Acquirer.
- 7.17.11. In case of partial or non-acceptance of orders the balance demat Equity Shares shall be returned directly to the demat accounts of the Public Shareholders. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.
- 7.17.12. 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 regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer.
- 7.17.13. If Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Public Shareholder.
- 7.17.14. Public Shareholders who intend to participate in the 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 Offer (secondary market transaction). The 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 Target Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.
- 7.17.15. The Acquirer intends to complete all formalities, including the payment of consideration to the Public Shareholders whose shares have been accepted in the Offer, within a period of 10 Working Days from the closure of the Tendering Period, and for this purpose, open a special account as provided under Regulation 21(1) of the SEBI (SAST) Regulations
- 7.17.16. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

**8. NOTE ON TAXATION**

**THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 AND THE REGULATIONS THEREUNDER. 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 REPORT 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 PUBLIC SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, PUBLIC 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.**

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

**THE SUMMARY ON TAX CONSIDERATIONS IN THIS SECTION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, THE EXISTING SHAREHOLDERS OF THE TARGET COMPANY SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR RESPECTIVE CIRCUMSTANCES. THE LAW STATED BELOW IS AS PER THE INCOME-TAX ACT, 1961.**

## 1. General

- 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 1 until March 31 of the following year.
- 1.2. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, in a manner as provided under the Income Tax Act, 1961 (“**IT Act**”), as amended from time to time.
- 1.3. 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 accrues or arises or deemed to accrue or arise in India) and income received by such persons in India (including income deemed to be received in India).
- 1.4. Since the Target Company is incorporated in India, the Equity Shares are “situated” in India and any gains arising to a non-resident on transfer of such shares is taxable in India under the IT Act.
- 1.5. Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement (“**DTAA**”) between India and the respective country of which the said shareholder is a tax resident subject to satisfying the relevant conditions including but not limited to (a) conditions present in the said DTAA (if any) read with the relevant provisions of the Multilateral Convention to Implement Tax Treaty related Measures to Prevent Base Erosion and Profit Shifting (“**Multilateral Instrument/ MLF**”) as ratified by India with the respective country of which the said shareholder is tax resident; (b) non-applicability of General Anti-Avoidance Rule (“**GAAR**”) and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- 1.6. The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Open Offer, and corresponding withholding tax obligation based on the period of holding, residential status, classification of the shareholder, nature of the income earned, mode of acquisition, etc.
- 1.7. 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.
- 1.8. In addition to income tax, as the tendering of Equity Shares is being undertaken on BSE Limited and National Stock Exchange of India Limited, 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 any 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.
- 1.9. All references to equity shares herein are to listed equity shares unless stated otherwise.

## 2. Classification of Shareholders

Shareholders can be classified under the following categories:

### 2.1. Resident Shareholders being:

- (i) individuals, Hindu undivided family (“**HUF**”), association of persons (“**AOP**”) and body of individuals (“**BOI**”), and
- (ii) others:
  - a) Company, and
  - b) other than company

### 2.2. Non-Resident Shareholders being:

- (i) non-resident Indians (“**NRI**s”)
- (ii) Foreign Institution Investors (FIIs)/ Foreign Portfolio Investors (FPIs)
- (iii) others:
  - a) Company, and
  - b) other than company

## 3. Classification of Shares

3.1 The characterization of gains/losses, arising from sale of shares, as Capital Gains or Business Income would depend on the nature of holding in the hands of the shareholder and various other factors. Shareholders are also required to refer to Circular No.6/2016 dated February 29, 2016 issued by the Central Board of Direct Taxes (“**CBDT**”). The nature of gains/loss in the foregoing cases will be as under:

- (i) Shares held as investment: Income arising from transfer of shares taxable under the head “**Capital Gains**”.
- (ii) Shares held as stock-in-trade: Income arising from transfer taxable under the head “**Profits and Gains from Business or Profession**”.

## 4. Taxability of Capital Gains in the hands of the Shareholders

4.1 Capital gains in the hands of shareholders would be computed as per the provisions of Section 48 of the IT Act and the rate of income tax would depend on the period of holding.

### 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’ or ‘long-term capital gain’. Such classification would be determined as under:

- (i) Short-term Capital Asset (“**STCA**”): Equity shares held for less than or equal to 12 (Twelve) months.

- (ii) Long-term Capital Asset (“LTCA”): Equity share held for more than 12 (Twelve) months.
- 4.3 Accordingly, gains arising from transfer of a STCA are taxable as ‘Short-term Capital Gains’ (“STCG”). Gains arising from transfer of a LTCA are taxable as ‘Long-term Capital Gains’ (“LTCG”).
- 4.4 As per Section 112A of the IT Act, LTCG arising on sale of listed equity shares will be subject to tax at the rate of 12.50% if STT has been paid on both, purchase and sale of shares (except in certain cases notified by CBDT vide Notification No. 60/2018 dated October 1, 2018) and if the aggregate LTCG during the financial year exceeds INR 1.25 Lakh. The said rate will be increased by applicable surcharge and cess. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.
- 4.5 As per Section 112A of the IT Act, LTCG will be computed without considering the indexation benefit as per the terms of Section 48 of the IT Act. The cost of acquisition will be computed in accordance with the provisions of Section 55 read with Section 112A of the IT Act. In terms of Section 55 read with Section 112A of the IT Act, if investments were made on or before January 31, 2018, a method of determining the cost of acquisition of such investments has been specifically laid down such that gains up to January 31, 2018 are grandfathered. To clarify, if the equity shares on which STT is paid were acquired prior to January 31, 2018, the cost of acquisition of such shares should be higher of: (a) actual cost of acquisition and (b) lower of (i) fair market value as on January 31, 2018 (highest quoted price on January 31, 2018 or immediately prior trading day if shares were not traded on January 31, 2018) and (ii) actual sale consideration.
- 4.6 If STT is not paid at the time of acquisition of the shares being acquired under the Open Offer and they do not fall within the exceptions identified under Notification No. 60/2018/F.No.370142/9/2017-TPL dated October 1, 2018, then the entire LTCG arising to the shareholder shall be subject to tax at 12.50% without any indexation benefit (plus applicable surcharge and cess) under Section 112 of the IT Act.
- 4.7 STCG realized on sale of listed equity shares (STT paid) will be subject to tax at the rate of 20% under Section 111A of the IT Act. The said rate will be increased by applicable surcharge and cess. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
- 4.8 As per the seventh proviso to Section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.
- 4.9 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 get triggered for certain companies’ resident in India and need to be considered by such shareholders.

The provisions of Section 115JB of the IT Act do not apply to a foreign company if it is a resident of a country with which India has entered into a DTAA under Section 90/90A of the IT Act and the assessee does not have a Permanent Establishment in India or such company is

a resident of a country with which India does not have such agreement and the assessee is not required to seek registration under any law for the time being in force, relating to companies.

- 4.10 As per Section 70 of the IT Act, Short Term Capital Loss computed for the 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 8 (Eight) assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.
- 4.11 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.
- 4.12 Additional information in case of Foreign Institutional Investors (“**FII**s”):
- (a) As per Section 2(14) of the IT Act, any securities held by a FII which has invested in the equity shares in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, will be treated as capital assets. Accordingly, any gains arising from transfer of such securities will be chargeable to tax in the hands of FIIs as capital gains.
  - (b) 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 20%.
  - (c) 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%. Provided that in case of income arising from the transfer of a LTCA referred to in Section 112A, income-tax at the rate of 12.50% will be calculated on such income exceeding INR 1,25,000 .
  - (d) 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.
  - (e) The above rates are to be increased by applicable surcharge and cess.
  - (f) Further, no deduction under Chapter VI-A would be allowed in computing STCG and as well as LTCG.
  - (g) 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.

- 4.13 Additional Information in case of Non-resident Indians (“**NRI**s”):

Where the shares of the Target Company were acquired or purchased in convertible foreign exchange, NRIs, i.e., individuals being citizen of India or person of Indian origin who are not

resident, have the option of being governed by the provisions of Chapter XII-A of the IT Act, which inter alia entitles them to the following benefits:

- (a) Under Section 115E of the IT Act, the LTCG arising to an NRI will be taxable at the rate of 12.50% (plus applicable surcharge and cess). While computing the LTCG, the benefit of indexation of cost would not be available.
- (b) Under Section 115F of the IT Act, LTCG arising to an NRI from the transfer of the shares acquired or purchased in convertible foreign exchange shall be exempt from income-tax, if the net consideration is reinvested in specified assets, within 6 (Six) months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within 3 years from the date of their acquisition.
- (c) Under Section 115G of the IT Act, it will not be necessary for an NRI to furnish his return of income under Section 139(1) of the IT Act if his income chargeable under the IT Act consists of only investment income or LTCG or both; arising out of assets acquired, purchased or subscribed to in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the IT Act.
- (d) Further, no deduction under Chapter VI-A would be allowed in computing LTCG.
- (e) As per provisions of Section 115-I of the IT Act, an NRI may elect not to be governed by provisions of Chapter XII-A and compute his total income as per other provisions of the IT Act.

4.14 Section 90(2) of the IT Act, provides relief to a non-resident, where there is a DTAA between India and the country of residence of the non-resident shareholder and the provisions of the DTAA are more favorable to the taxpayer, subject to satisfying relevant conditions including not limited to (a) conditions present in the said DTAA (if any) read with the relevant provisions of the MLI as ratified by India with the respective country of which the said shareholder is tax resident; (b) non-applicability of GAAR; and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.

#### 4.15 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. 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.

#### 4.16 Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or Regulations made thereunder or mutual funds set up by public sector banks or public financial

institutions or mutual funds authorized by the RBI 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.

## **5. Taxability of Business Income in the hands of the Shareholders**

- 5.1 Where gains realized from sale of listed equity shares are taxable as business income, they will be taxable at applicable tax rates to such shareholders. The loss if any can be carried forward in accordance with the provisions of the IT Act.
- 5.2 In terms of Section 36(1)(xv) of the IT Act, STT paid by the shareholder in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head “Profit and gains of business or profession”, if the income arising from taxable securities transaction is included in such income.
- 5.3 Section 90(2) of the IT Act, provides relief to a non-resident, where there is a DTAA between India and the country of residence of the non-resident shareholder and the provisions of the DTAA are more favorable to the taxpayer, subject to satisfying relevant conditions including but not limited to (a) conditions present in the said DTAA (if any) read with the relevant provisions of the MLI as ratified by India with the respective country of which the said shareholder is tax resident; (b) non-applicability of GAAR; and (c) maintaining necessary information and documents as prescribed under the IT Act.

## **6. Withholding Tax implications**

### **6.1 Remittance/Payment of Consideration**

#### **(a) Resident shareholders:**

- (i) As of the date of filing of this document, in the absence of any provisions under the IT Act casting an obligation on the buyer to deduct tax on income arising in the hands of the resident seller on transfer of any property (other than immovable property), the Acquirer is not required to withhold tax on the consideration payable to eligible shareholders pursuant to tendering of shares under the Open Offer.
- (ii) With effect from July 1, 2021, Finance Act 2021 creates an obligation on the buyer of goods to withhold tax under Section 194Q at the rate of 0.1% when buying goods from an Indian resident. The withholding obligation only exists where the consideration for goods exceeds INR 50,00,000 and the buyer had a business turnover of more than INR 10,00,00,000 (in the immediately preceding year. The term “goods” has not been defined and may cover shares.
- (iii) As per Circular No 13 of 2021 dated June 30, 2021 issued by the CBDT, the provisions of Section 194Q is not applicable where the transactions in securities and commodities are traded through recognized stock exchange. Therefore, the Acquirer is not required to withhold tax under Section 194Q on consideration payable to resident shareholders.

- (iv) Interest – In respect of interest income, the obligation to deduct tax at source under the provisions of the Income Tax Act is on the person responsible for paying such income. 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.
  - (v) The resident shareholders must file their tax return in India inter alia considering gains arising pursuant to this Open Offer. The 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.
  - (vi) It is important for the Public Shareholders to compute income on this transaction and immediately pay taxes in India, if applicable, in consultation with their custodians/authorized dealers/tax advisors appropriately. The Public Shareholders must file their tax return in India, inter-alia, considering gains arising pursuant to this Open Offer in consultation with their tax advisors. The resident shareholders undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer and on account of income arising to the resident shareholders pursuant to this Offer.
- (b) Non-resident shareholders – FIIs:
- (i) Section 196D of IT Act, provides for a specific exemption from withholding tax at source from any income, by way of Capital Gains arising to an FII from the transfer of securities referred to in Section 115AD of the IT Act. Thus, no withholding of tax is required in case of consideration payable to FIIs/FPIs.
  - (ii) Interest – In respect of interest income, the obligation to deduct tax at source under the provisions of the Income Tax Act is on the person responsible for paying such income. 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. It is important for the FII/FPIs to compute income on this transaction and immediately pay taxes in India, if applicable, in consultation with their custodians/authorized dealers/tax advisors appropriately. The FII/FPIs must file their tax return in India, inter alia, considering gains arising pursuant to this Open Offer in consultation with their tax advisors.
  - (iii) The FIIs/FPIs undertake to indemnify the if any tax demand is raised on the Acquirer on account of income arising to the FIIs/FPIs pursuant to this Open Offer. The FIIs/FPIs 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.

- (c) Non-resident shareholders (other than FIIs):
- (i) Each non-resident shareholder will confirm its status by selecting the appropriate box in the Form of Acceptance-cum-Acknowledgement.
  - (ii) Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax under the provisions of the IT Act is required to deduct tax at source at applicable rates in force.
  - (iii) 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.
  - (iv) Since the tendering of shares under the Open Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is on the non-resident shareholder given that practically it is not possible to withhold taxes and the Acquirer believe that the responsibility of withholding/ discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the custodians/ authorized dealers/ non-resident shareholders – with no recourse to the Acquirer. It is therefore recommended that the non-resident shareholders consult their custodians/ authorized dealers/ tax advisors appropriately. In the event the Acquirer are 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. The non- resident Shareholder must compute such gains (if any) on this transaction and immediately pay applicable taxes in India, if applicable, in consultation with their custodians/ authorized dealers/ tax advisors appropriately.
  - (v) Interest – In respect of interest income, the obligation to deduct tax at source under the provisions of the Income Tax Act is on the person responsible for paying such income. 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. It is important for the non-resident Shareholders to compute income on this transaction and immediately pay taxes in India, if applicable, in consultation with their custodians/authorized dealers/tax advisors appropriately.
  - (vi) The non-resident shareholders must file their tax return in India inter alia considering gains arising pursuant to this Open Offer. 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.
  - (vii) The non-resident Shareholders undertake to indemnify the Acquirer if any tax demand is raised on the Acquirer on account of gains arising to the

non-resident Shareholders pursuant to this Open Offer. 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.

## 6.2 Remittance/Payment of Interest:

- (a) In case of interest, if any, paid by the Acquirer to Public Shareholders (all such shareholders being resident shareholders) 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, to withhold tax, the same shall be basis the documents submitted along with the Form of Acceptance-cum-Acknowledgement or such additional documents as may be called for by the Acquirer. It is recommended that the Public Shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorization 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 Public Shareholder, the same shall be to the account of the Public Shareholder and to that extent the Acquirer should be indemnified.
- (b) The Public 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 Public Shareholders also undertake to provide to 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.

## 7. Rate of Surcharge and Cess

In addition to the basic tax rate, applicable Surcharge, Health and Education Cess are currently leviable as under:

### 7.1 Surcharge

- (a) In case of domestic companies: Surcharge at 12% is leviable where the total income exceeds INR 10,00,00,000 and at 7% where the total income exceeds INR 1,00,00,000 but less than INR 10,00,00,000.
- (b) In case of domestic companies liable to pay tax under section 115BAA or section 115BAB: Surcharge at 10% is leviable.
- (c) In case of companies other than domestic companies: Surcharge at 5% is leviable where the total income exceeds INR 10,00,00,000 and at 2% where the total income exceeds INR 1,00,00,000 but less than INR 10,00,00,000.
- (d) In case of individuals, HUF, AOP, BOI:

- (i) Surcharge at the rate of 10% is leviable where the total income exceeds INR 50,00,000 but does not exceed INR 1,00,00,000.
- (ii) Surcharge at the rate of 15% is leviable where the total income exceeds INR 1,00,00,000 but does not exceed INR 2,00,00,000.
- (iii) Surcharge at the rate of 25% is leviable where the total income exceeds INR 2,00,00,000 but does not exceed INR 5,00,00,000.
- (iv) Surcharge at the rate of 37% is leviable where the total income exceeds INR 5,00,00,000.

The enhanced surcharge rate of 37% is not applicable for Individuals and HUFs opting for tax regime under Section 115BAC of the Income Tax Act.

- (e) 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%.
- (f) In case of Firm and Local Authority: Surcharge at 12% is leviable where the total income exceeds INR 1,00,00,000.

## 7.2 Cess

Health and Education Cess at 4% is currently leviable in all cases.

## 8. Others

- 8.1 Notwithstanding the details provided above, all payments will be made to the Public Shareholders subject to compliance with prevailing tax laws.
- 8.2 The tax deducted by the Acquirer while making payment to a Public Shareholder may not be the final tax liability of such Public Shareholder and shall in no way discharge the obligation of the Public Shareholder to appropriately disclose the amounts received by it, pursuant to this Open Offer, before the income-tax authorities.
- 8.3 The Acquirer will deduct tax (if required) as per the information provided and representation made by the Public Shareholders. 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 the Public Shareholder, such Public Shareholder will be responsible to pay such income-tax demand under the IT Act and provide the Acquirer with all information/documents that may be necessary and co-operate in any proceedings before income tax/ appellate authority in India.

## 9. **DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection to the Public Shareholders at the registered office of the Acquirer at Coromandel House, 1-2-10 Sardar Patel Road, Secunderabad-500003, Telangana, India. The documents can be inspected during normal business hours between 10 a.m. to 5:00 p.m. on any Working Day, i.e. Monday to Friday and

not being a bank holiday in Hyderabad, during the Tendering Period. In light of SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2020/139 dated 27 July 2020 read with SEBI Circular SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020, copies of the following documents will also be available for inspection to the Public Shareholders electronically during the Tendering Period. The Public Shareholders interested to inspect any of the following documents can send an email from their registered email ids (including shareholding details and authority letter in the event the Public Shareholder is a corporate body) with a subject line “Documents for Inspection – NACL Industries Limited Open Offer”, to the Manager of the Offer at naclopenoffer@jmfll.com; and upon receipt and processing of the received request, access can be provided to the respective Public Shareholders for electronic inspection of documents.

- 9.1 Copies of certificate of incorporation and Memorandum and Articles of Association of the Acquirer.
- 9.2 Copy of the Promoter SPA.
- 9.3 Copy of the Tag Holder 1 SPA.
- 9.4 Copy of the Tag Holder 2 SPA.
- 9.5 Copy of Share Subscription and Shareholders Agreement.
- 9.6 Certificate dated March 12, 2025, issued by SSPA & Co, Chartered Accountants (FRN: 128851W (Mr. Parag Ved, Partner, membership number :102432), certifying the adequacy of financial resources of the Acquirer to fulfil its Offer obligations.
- 9.7 Certificate dated March 12, 2025, issued by SSPA & Co, Chartered Accountants (FRN: 128851W (Mr. Parag Ved, Partner, membership number :102432), certifying Offer Price computation.
- 9.8 Certificate dated March 26, 2025 from R. Sridharan & Associates, Company Secretaries, wherein it has been confirmed that Acquirer has complied with the requirements related to corporate governance as stipulated in the SEBI (LODR) Regulations, as applicable for the nine months period ended December 31, 2024.
- 9.9 Offer Escrow Agreement dated March 13, 2025, executed among the Acquirer, the Manager and HDFC Bank Limited.
- 9.10 Letter dated March 15, 2025, from HDFC Bank Limited, confirming opening of Offer Escrow Account and the amount of cash deposit of INR 4,10,00,000 (Rupees Four Crores Ten Lakhs) in the Offer Escrow Account.
- 9.11 Copies of the annual reports of Acquirer for the financial years ending on March 31, 2022, March 31, 2023 and March 31, 2024.
- 9.12 Copy of unaudited (limited reviewed) financial statements of Acquirer as of and for 9 (Nine) months ended December 31, 2024.

- 9.13 Copies of the annual reports of Target Company for the financial years ending on March 31, 2022, March 31, 2023 and March 31, 2024.
- 9.14 Copy of unaudited (limited reviewed) financial statements of Target Company as of and for 9 (Nine) months ended December 31, 2024.
- 9.15 Copy of the Public Announcement dated March 12, 2025 and submitted to the Stock Exchanges.
- 9.16 Copy of the DPS dated March 19, 2025 published by the Manager on behalf of the Acquirer in Newspapers on March 20, 2025.
- 9.17 Published copy of the recommendation to be made by the committee of the independent directors of Target Company in relation to the Offer.
- 9.18 SEBI observation letter no. [●] dated [●] on the DLoF.

**10. DECLARATION BY THE ACQUIRER**

- 10.1 The Acquirer and its directors accept full responsibility for the information contained in this DLoF (other than information regarding the Sellers, the Target Company and information compiled from publicly available sources or provided by the Seller and the Target Company, which has not been independently verified by the Acquirer or the Manager to the Offer).
- 10.2 The information pertaining to the Target Company and the Sellers contained this DLoF has been compiled from the information published or publicly available sources or provided by the Target Company and Sellers.
- 10.3 Save as otherwise provided in this DLoF, the Acquirer also accepts full responsibility for their obligations under the Open Offer and shall be responsible for the fulfillment of obligation under the SEBI (SAST) Regulation in respect of this Open Offer.
- 10.4 The persons signing this DLoF on behalf of the Acquirer has been duly and legally authorized by the respective boards of directors to sign this DLoF.

Authorized by the respective boards of directors to sign this DLoF.

For and on behalf of the Acquirer

Sd/-

Authorised Signatory

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**Place: Chennai**

Date: March 27, 2025