LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a registered / beneficial owner of Equity Shares of Eris Lifesciences Limited (the "**Company**") as on the Record Date (*as defined below)* in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended. If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager to the Buyback Offer (Axis Capital Limited) or the Registrar to the Buyback Offer (Link Intime India Private Limited). Please refer to the section on 'Definitions' for the definitions of the capitalized terms used herein.

Eris Lifesciences Ltd.

Eris Lifesciences Limited

CIN: L24232GJ2007PLC049867

Registered and Corporate Office: 8th Floor, Commerce House- IV, Prahladnagar, 100 Feet Road, Ahmedabad-380015, Gujarat, India.

Tel.: +91 79 3045 1111; **Fax:** +91 79 3017 9404

E-mail: complianceofficer@erislifesciences.com; **Website:** www.eris.co.in

Contact Person: Mr. Milind Talegaonkar, Company Secretary and Compliance Officer

CASH OFFER FOR BUYBACK OF UP TO 1,739,130 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF RE. 1/- EACH, REPRESENTING APPROXIMATELY 1.26% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM THE EXISTING SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE I.E. JULY 15, 2019, ON A PROPORTIONATE BASIS, THROUGH THE "TENDER OFFER" ROUTE AT A PRICE OF RS. 575/- (RUPEES FIVE HUNDRED SEVENTY FIVE ONLY) PER EQUITY SHARE FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 1,000 MILLION (RUPEES ONE THOUSAND MILLION ONLY)

1) The Buyback is in accordance with Article 17 of the Articles of Association of the Company and is subject to the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014 and in compliance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 including any amendments, statutory modifications or re-enactments thereof, for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Reserve Bank of India, etc.
2) The Buyback Size is 8.66% and 8.70% of the aggregate of fully paid-up equity share capital and free reserves (including securities premium account) as per the audited accounts of the Company for the financial year ended March 31, 2019, on standalone and consolidated basis respectively, which is less than the statutory limit of 25% of the fully paid-up equity share capital and free reserves (including securities premium account) as per the last audited accounts of the Company.
3) The Letter of Offer will be sent to the Equity Shareholder(s) / Beneficial Owner(s) of Equity Shares of the Company as on the Record Date i.e. July 15, 2019.
4) The procedure for tender and settlement is set out in paragraph 20 at page no. 26 of this Letter of Offer. The tender form ("**Tender Form**") is enclosed together with this Letter of Offer.
5) For mode of payment of consideration to the Equity Shareholders, please refer to paragraph 20 of this Letter of Offer.
6) A copy of the Public Announcement published on July 5, 2019 and this Letter of Offer (including Tender Form) is available on the website of Securities and Exchange Board of India at www.sebi.gov.in.
7) Equity Shareholders are advised to read this Letter of Offer and in particular, refer to paragraph 17 (Statutory Approvals) and paragraph 21 (Note on Taxation) before tendering their Equity Shares in the Buyback.

BUYBACK OPENS ON: Wednesday, January 1, 2020	**BUYBACK CLOSES ON: Tuesday, January 14, 2020**
MANAGER TO THE BUYBACK	**REGISTRAR TO THE BUYBACK**
AXIS CAPITAL **Axis Capital Limited** 1st Floor, Axis House, C-2 Wadia International Centre, P.B. Marg, Worli, Mumbai - 400025 Tel: +91 22 4325 2183 ; Fax: + 91 22 4325 3000 Email: ell.buyback2019@axiscap.in Contact Person : Mr. Sagar Jatakiya SEBI Registration: INM000012029 Validity Period: : Perpetual CIN: U51900MH2005PLC157853	LINK Intime **Link Intime India Private Limited** C- 101, 1st Floor, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083 Tel: +91 22 4918 6200; Fax: +91 22 4918 6195 Email: eris.buyback@linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration: INR000004058 Validity Period : Permanent Registration CIN: U67190MH1999PTC118368

The Offer is pursuant to SEBI (Buy-Back of Securities) Regulations, 2018 and subsequent amendments as well as in accordance with provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended

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1. SCHEDULE OF ACTIVITIES

Activity	Schedule of activities	
	Date	Day
Date of Board Meeting approving the proposal for the Buyback	July 3, 2019	Wednesday
Public Announcement of Buyback	July 5, 2019	Friday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	July 15, 2019	Monday
Buyback Opens on	January 1, 2020	Wednesday
Buyback Closes on	January 14, 2020	Tuesday
Last date for verification by Registrar	January 22, 2020	Wednesday
Last date for providing acceptance to the Stock Exchange by the Registrar	January 22, 2020	Wednesday
Last date for settlement of bids on the Stock Exchange	January 23, 2020	Thursday
Last date for return of unaccepted demat shares by Stock Exchange to Selling Member	January 23, 2020	Thursday
Last Date for Extinguishment of Shares	January 30, 2020	Thursday

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

2. DEFINITION OF KEY TERMS

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

Acceptance Form	Tender Form
Act or Companies Act	The Companies Act, 2013, as amended
Articles	Articles of Association of the Company
Board or Board of Directors	Board of Directors of the Company
Board Meeting	Meeting of Board of Directors of the Company held on July 3, 2019
BSE	BSE Limited
Buyback Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended
Buyback Committee or Committee	Buy Back and Executive Committee of the Board comprising of Mr. Amit Bakshi- Managing Director, Mr. Himanshu Shah- Executive Director and Mr. Inderjeet Singh Negi- Executive Director
Buyback Closing Date	Tuesday, January 14, 2020
Buyback Entitlement or Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender, in the Buyback, based on the number of Equity Shares held by such Eligible Shareholder, on the Record Date and the ratio/ percentage of Buyback applicable to such Shareholder.
Buyback or Buyback Offer or Offer	Offer to Buyback up to 1,739,130 Equity Shares of Re. 1/- each of the Company at a price of Rs. 575/- per Equity Share in accordance with the Buyback Regulations and relevant provisions of the Act via the tender offer route
Buyback Opening Date	Wednesday, January 1, 2020
Buyback Period	The period between the date of Board Meeting to authorize Buyback i.e. July 3, 2019 till the date on which the payment of consideration to shareholders who have accepted the Buyback offer will be made.
Buyback Price or Offer Price	Price at which shares will be bought back from the shareholders i.e. Rs. 575/- (Rupees Five Hundred Seventy Five only) per Equity Share

Buyback Size or Offer Size	Number of Equity Shares proposed to be bought back (i.e. up to 1,739,130 Equity Shares) multiplied by the Buyback Price i.e. Rs. 575/- per Equity Share aggregating to Rs. 1,000 Million (Rupees One Thousand Million only) (rounded off)
Clearing Corporation	Indian Clearing Corporation Limited
Company	Eris Lifesciences Limited
Draft LOF or Draft Letter of Offer	The Draft letter of offer dated July 12, 2019, filed with SEBI through the Manager to the Buyback, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations
DP	Depository Participant
Equity Share(s) or Share(s)	The Company's fully paid-up equity share(s) of face value of Re. 1/- (Rupee One) each
Eligible Seller(s) or Eligible Shareholder(s)	Person(s) eligible to participate in the Buyback Offer and would mean all equity shareholders/beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. July 15, 2019 and excludes Person(s) who do not have the capacity under applicable law to tender shares
Escrow Account	Escrow account opened in accordance with Buyback Regulations with Escrow Agent.
Escrow Agent	Axis Bank Limited
Escrow Agreement	The escrow agreement dated September 24, 2019 entered into between the Company, the Manager to the Buyback and Escrow Agent
FEMA	Foreign Exchange and Management Act, 1999 including the regulations, circulars, directions and notifications issued thereunder
General Category	Eligible Shareholders other than the Small Shareholders
IT Act/ Income Tax Act	Income-tax Act, 1961, as amended
LOF or Letter of Offer	This Letter of Offer dated December 19, 2019 to be filed with SEBI containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer
LODR Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
Manager to the Buyback or Manager to the Offer or Manager	Axis Capital Limited
Non-Resident Shareholders	Includes NRIs, Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs), Overseas Corporate Bodies (OCBs) and Foreign Nationals
NSE	National Stock Exchange of India Limited
Offer Period or Tendering Period	Period of ten working days from the date of opening of the Buyback Offer i.e. Wednesday, January 1, 2020 till its closure i.e. Tuesday, January 14, 2020 (both days inclusive)
PA or Public Announcement	The public announcement dated July 4, 2019 made in accordance with the Buyback Regulations, published on July 5, 2019 in all editions of Financial Express (English National daily and Regional Daily) and Jansatta (Hindi National Daily) each with wide circulation.
PAN	Permanent Account Number
Promoters and Promoter Group	Promoters and promoter group of the Company as disclosed under the filings made by the Company under the listing agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
RBI	Reserve Bank of India
Record Date	The date for the purpose of determining the entitlement and the names of the Equity Shareholders, to whom the Letter of Offer will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be July 15, 2019.
Registrar to the Buyback or Registrar to the Offer or Registrar	Link Intime India Private Limited
Reserved Category	The Small Shareholders eligible to tender Shares in the Buyback

SEBI	The Securities and Exchange Board of India
SEBI Circular	"Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any amendments thereof
Seller Member or Seller Broker	A Stock broker (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	A Shareholder, who holds Equity Shares of market value of not more than Rs. 2,00,000/- (Rupees Two Lakh only), on the basis of closing price of the Equity Shares on the Stock Exchange registering the highest trading volume, as on Record Date i.e. July 15, 2019
Share Capital Rules	The Companies (Share Capital and Debentures) Rules, 2014 , as amended from time to time
Shareholders or Members	Holders of Equity Shares and includes beneficial owners thereof
Stock Exchanges	National Stock Exchange of India Limited and BSE Limited
Tender Offer	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
TRS	Transaction Registration Slip
Working Day	Working day as defined in the Buyback Regulations

3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to the SEBI.

It is to be distinctly understood that submission of the Letter of Offer to SEBI should not, in any way be deemed/construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buyback commitments or for the correctness of the statements made or opinions expressed in the offer document. The Manager to the Buyback, Axis Capital Limited, certifies that the disclosures made in the offer document are generally adequate and are in conformity with the provisions of the Companies Act and the Buyback Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Shares in the Buyback.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in the offer document, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buyback, Axis Capital Limited has furnished to SEBI a Due Diligence Certificate dated July 12, 2019 in accordance with Buyback Regulations, which reads as follows:

"We have examined various documents and material papers relevant to the Buyback, as part of the due-diligence carried out by us in connection with the finalisation of the Public Announcement and Draft Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

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

The filing of the Letter of Offer with SEBI does not however absolve the Company from any liabilities under the provisions of the Companies Act or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

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

The Promoters/Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buyback.

Disclaimer for U.S. Persons

The information contained in this Letter of Offer is exclusively intended for persons who are not U.S. Persons in term of the U.S. Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Disclaimer for Persons in other foreign countries

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. This Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation would subject the Company or the Manager to the Offer to any new or additional requirements or registrations. Potential users of the information contained in this Letter of Offer are requested to inform themselves about and to observe any applicable legal requirement or restrictions.

Forward Looking Statements

This Letter of Offer contains certain forward-looking statements. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, inter alia, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

4. TEXT OF RESOLUTION PASSED AT THE BOARD MEETING

The Buyback through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on July 3, 2019. The extracts of the Board resolution are as follows:

RESOLUTION:

BUYBACK OF EQUITY SHARES

"RESOLVED THAT in accordance with Article 17 of the Articles of Association of the Company and the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 (**"Act"**), the Companies (Share Capital and Debentures) Rules, 2014 (**"Share Capital Rules"**), the Companies (Management and Administration) Rules, 2014 (**"Management Rules"**), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**"Buyback Regulation"**), and subject to approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the Securities and Exchange Board of India (**"SEBI"**), Registrar of Companies, Ahmedabad (**"ROC"**) and/ or other appropriate authorities which the Board of Directors of the Company (hereinafter referred to as the "Board", which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) agreed and subject to such conditions and modifications as may be prescribed or imposed by such government, regulatory or statutory authorities, the consent of the Board be and is hereby accorded for buyback of up to 1739130 fully paid up equity shares (representing ~1.26% of the total paid-up equity share capital of the Company as on March 31, 2019) of the face value of Re 1/- (Rupee One Only) each (**"Equity Shares"** or **"Shares"**) at a

price of Rs. 575/- (Rupees Five Hundred and Seventy Five Only) per Equity Share payable in cash (**"Buyback Price"**) for a maximum aggregate consideration not exceeding Rs. 1000 Million (Rupees One Thousand Million Only) (**"Buyback Size"**), representing ~8.66% and ~8.70% of the aggregate paid-up equity share capital and free reserves (including securities premium account) of the Company on standalone and consolidated basis respectively, as on March 31, 2019, being within the 25% limit of paid-up up share capital and free reserves (including securities premium account) of the Company, or such other source as may be permitted by the Buyback Regulation or the Act, from the members of the Company, as on July 15th, 2019 (**"Record Date"**), on a proportionate basis through "Tender Offer" route as prescribed under the Buyback Regulations (**"Buyback"**)."

RESOLVED FURTHER THAT the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, if any, brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and service tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

RESOLVED FURTHER THAT as required by Regulation 6 of the Buyback Regulations, the Company shall buyback Equity Shares from the shareholders on a proportionate basis under the Tender Offer, provided 15% of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders at the Record Date, whichever is higher, shall be reserved for small shareholders, as defined in the Buyback Regulations.

RESOLVED FURTHER THAT all of the shareholders of the Company who hold Equity Shares as on the Record Date shall be eligible to participate in the Buyback including promoters, promoter group and persons in control of the Company who hold Equity Shares of the Company.

RESOLVED FURTHER THAT the Company shall implement the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any further amendments thereof.

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

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

RESOLVED FURTHER THAT the Company has complied and shall continue to comply with Section 70 of the Act, wherein:

(a) It shall not directly or indirectly purchase its own shares:

(i) through a subsidiary company including its own subsidiary companies, if any; or

(ii) through any investment company or group of investment companies.

(b) There are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company, in the last three years; and

(c) The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Act.

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders including the promoter(s) of the Company (as have been disclosed under the shareholding pattern filings made by the Company

from time to time under the Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 ("SEBI Takeover Regulations"), from its free reserves and/or surplus and/or such other sources or by such mechanisms as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

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

RESOLVED FURTHER THAT in terms of Regulation 24(iii) of the Buyback Regulations, Mr. Milind Talegaonkar, Company Secretary, be and is hereby appointed as the Compliance Officer for the Buyback.

RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit and other documents, placed before the meeting be and are hereby approved and that Mr. Amit Bakshi, Managing Director, and Mr. Inderjeet Singh Negi, Whole Time Director, be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies, Ahmedabad and SEBI in accordance with the applicable laws.

RESOLVED FURTHER THAT in terms of Section 69 of the Act, the Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the equity shares bought back through the Buyback, to the Capital Redemption Reserve account.

RESOLVED FURTHER THAT the projections of the Company placed before the Board are approved and as required by Clause (x) of Schedule I under Regulation 5(iv)(b) of the Buyback Regulation, the Board confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

1. That immediately following the date of Board Meeting held on July 3, 2019, there will be no grounds on which the Company can be found unable to pay its debts.

2. That as regards the Company's prospects for the year immediately following the date of the Board Meeting held on July 3, 2019 approving the Buyback is passed, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting.

3. In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016. (including prospective and contingent liabilities)

RESOLVED FURTHER THAT the Board hereby confirms that:

1. All the Equity Shares for Buyback are fully paid-up;
2. The Company shall not issue and allot any Equity Shares including by way of bonus or convert any outstanding employee stock ownership plans /outstanding instruments into Equity Shares, from the date of Board of Directors' resolution for the Buyback till the date of payment to shareholders for shares bought back under this Buyback;
3. The Company, as per provisions of Section 68(8) of the Companies Act 2013, shall not make a further issue of the same kind of shares or other securities including allotment of new shares under clause (a) of sub-section (1) of section 62 or other specified securities within a period of six months from completion of buyback except by way of a bonus issue or in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;
4. The Company, as per provisions of 24(i)(f) of Buyback Regulations, shall not raise further capital for a period of one year from the date of completion of payment to shareholders under this buyback except in discharge of its subsisting obligations;

5. The Company shall not Buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
6. The Company shall not Buyback its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
7. There are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institutions or banking companies;
8. Funds borrowed from banks and financial institutions will not be used for the Buyback;
9. The Buyback Size i.e. Rs. 1000 Million (Rupees One Thousand Million only) does not exceed 25% of the aggregate paid-up equity share capital and free reserves (including securities premium account) of the Company as per latest audited balance sheet as on March 31, 2019 both on consolidated and standalone basis;
10. The maximum number of shares proposed to be purchased under the Buyback shall not exceed 25% of the total number of shares in the paid-up equity capital as per the audited balance sheet as on March 31, 2019;
11. The Company shall not make any offer of buyback within a period of one year reckoned from the date of expiry of the Buyback Period;
12. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, as on date; and
13. That the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

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

RESOLVED FURTHER THAT any actions taken so far in connection with the Buyback by the officers of the Company be and are hereby ratified, confirmed and approved."

APPOINTMENT OF AXIS CAPITAL LIMITED AS THE MERCHANT BANKER AND THE COMPANY'S BROKER FOR BUYBACK

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Buyback of Securities) Regulation 2018 and other applicable laws, Axis Capital Limited be and is hereby appointed as the Merchant Banker and the Company's broker for the Buyback transaction at such remuneration as mutually agreed with Axis Capital Limited.

RESOLVED FURTHER THAT all the members of the Board, Mr. Sachin Shah, CFO and Mr. Milind Talegaonkar, Company Secretary of the Company be and are hereby severally authorized to do all acts, deeds and things to give effect to this resolution."

TO AUTHORISE THE EXECUTIVE COMMITTEE OF THE COMPANY TO HANDLE MATTERS REGARDING BUY-BACK

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, the Board hereby re-designates the Executive Committee of the Board as the 'Buy Back and Executive Committee'.

RESOLVED FURTHER THAT the Buy Back and Executive Committee of the Board be and is hereby authorized, in addition to its existing terms of reference, to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buyback, including, but not limited to, the following:

1. The initiating of all necessary actions for preparation and issue of public announcement, draft letter of offer, letter of offer and related documents;
2. The preparation, finalization and filing of public announcement, draft letter of offer, letter of offer, related documents and also the certificates for declaration of solvency and other filings with the SEBI, ROC, the stock exchanges and other appropriate authority(ies), if any;
3. Finalizing the terms of Buyback such as the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
4. The appointment of depository participant, printers, advertisement agencies, and other advisors, consultants or representatives and settlement of the remuneration for all such intermediaries/ agencies/ persons, including by the payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
5. obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
6. The making of all applications to the appropriate authorities for their requisite approvals;
7. Earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback;
8. The opening, operation and closure of cash escrow account and special account in accordance with the escrow agreement to be executed by the Company in this regard;
9. The opening, operation and closure of demat escrow account in accordance with the escrow agreement to be executed by the Company with the depository participant;
10. To settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback;
11. To make all applications to the appropriate authority(ies) for their requisite approvals including for approvals as may be required from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
12. To sign the documents as may be necessary with regard to the Buyback and use the common seal of the Company, if any on relevant documents required to be executed for the Buyback and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other appropriate authorities;
13. To deal with stock exchanges (including their clearing corporations), and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any further amendments thereof;
14. extinguishment of dematerialized shares and physical destruction of share certificates in respect of the Equity Shares bought back by the Company and filing of certificates of extinguishment required to be filed in connection with the Buy-back on behalf of the Company;
15. To do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper; and/or
16. Sign, execute and deliver such documents as may be necessary or desirable in connection with or incidental to the Buyback.

RESOLVED FURTHER THAT the Buy Back and Executive Committee shall have the power and authority to sub-delegate all or any of the authorities conferred upon it to any of the directors or key managerial persons of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegation / sub-delegation of authority from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Buy Back and Executive Committee be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. DETAILS OF PUBLIC ANNOUNCEMENT

The Public Announcement dated July 4, 2019 was published on July 5, 2019 in the following newspapers, in accordance with Regulation 7(i) of the Buyback Regulations, within two working days from the date of Board Meeting approving the Buyback, on July 3, 2019:

Publication	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Financial Express	Gujarati	Regional Edition

The Company will publish further notices or corrigenda, if any, in the abovementioned newspapers.
The Public Announcement is available on the SEBI website at www.sebi.gov.in, and on the websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com.

6. DETAILS OF THE BUYBACK

6.1 The Board of Directors ("**Board**"), which expression includes any committee constituted by the Board to exercise its powers, including the powers conferred by the resolution of Eris Lifesciences Limited ("**Company**"), at its meeting held on July 3, 2019 ("**Board Meeting**") approved the proposal for the buyback of up to 1,739,130 (One Million Seven Hundred Thirty Nine Thousand One Hundred and Thirty) Equity Shares at a price of Rs. 575/- (Rupees Five Hundred Seventy Five Only) per Equity Share payable in cash (**"Buyback Price"**) for a maximum aggregate amount up to Rs. 1,000 Million (Rupees One Thousand Million Only) ("**Buyback Size**") (being less than 25% of the aggregate paid-up equity share capital and free reserves (including securities premium account) of the Company as per latest audited accounts as on March 31, 2019), from the equity shareholders/beneficial owners of Equity Shares ("**Shareholders**") of the Company on a proportionate basis through a tender offer in accordance with the provisions of the Companies Act, 2013 ("**Companies Act**" or "**Act**") and the Companies (Share Capital and Debentures) Rules, 2014 ("**Share Capital Rules**"), the Companies (Management and Administration) Rules, 2014 ("**Management Rules**") and in compliance with the Buyback Regulations ("**Buyback**" or "**Buyback Offer**"). The Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India ("**SEBI**"), brokerage, applicable taxes (such as securities transaction tax, stamp duty and goods and services tax), advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses. The Board approved the Buyback of the Equity Shares from the Shareholders on a proportionate basis (subject to the reservation for small shareholders), through the tender offer process pursuant to Article 17 of the Articles of Association of the Company and in accordance with Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, the Share Capital Rules, the Management Rules and the Buyback Regulations. The Buyback is subject to receipt of any approvals of lenders, statutory, regulatory or governmental authorities as may be required under applicable laws, including the Reserve Bank of India **(RBI)**, SEBI, and the stock exchanges on which the Equity Shares are listed, namely, National Stock Exchange of India Limited ("**NSE**") and the BSE Limited ("**BSE**") (hereinafter together referred to as the "**Stock Exchanges**").

6.2 The Buyback would be undertaken on a proportionate basis from the Shareholders as of Monday, July 15, 2019 ("**Record Date**") through the tender offer route, prescribed under Regulation 6 of the Buyback Regulations using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, including any further amendments thereof. For the purpose of this Buyback, BSE will be the designated stock exchange (the **"Designated Stock Exchange"**) and the Company will request BSE to provide a separate acquisition window ("**Acquisition Window**") to facilitate the Buyback.

6.3 In terms of the Buyback Regulations, under tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have expressed, vide their letters dated July 3, 2019 that they do not intend to participate in the Buyback.

6.4 The Buyback Price of Rs. 575/- (Rupees Five Hundred Seventy Five only) per Equity Share represents a premium of 12.24% and 13.01% over the closing market price of the Equity Shares on the BSE and on the NSE respectively, as on June 24, 2019, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered.

6.5 The aggregate paid-up Equity Share capital and free reserves (including securities premium account) as on March 31, 2019 (the audited financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs.11,548.12 Million and Rs.11,493.23 Million on standalone basis and consolidated basis respectively. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate paid-up equity share capital and free reserves (including securities premium account) of the Company i.e. Rs.2,887.03 Million and Rs.2,873.31 Million on standalone basis and consolidated basis respectively. The amount proposed to be utilized for the Buyback is Rs. 1,000 Million (Rupees One Thousand Million Only) and is therefore within the limit of 25% of the Company's aggregate paid-up Equity Share capital and free reserves (including securities premium account) as per the audited accounts for the financial year ended March 31, 2019 on standalone basis and consolidated basis. Further, under the Act, the number of Equity Shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of Equity Shares that can be bought back in the current financial year is 34,379,945. Since the Company proposes to buyback up to 1,739,130 Equity Shares, the same is within the aforesaid 25% limit.

6.6 The Promoter and Promoter Group of the Company have expressed, vide their letters dated July 3, 2019 that they do not intend to participate in the Buyback. The Promoters and Promoter Group of the Company are already in control over the Company and therefore such further increase, if any, in voting rights of the Promoters and Promoter Group will not result in any change in control over the Company. For details regarding the shareholding of the Promoters and Promoter Group pre-Buyback and post-Buyback, please refer to paragraph 13.7 of this Letter of Offer.

6.7 After the completion of the Buyback, the public shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

7 AUTHORITY FOR THE BUYBACK

The Buyback is being undertaken by the Company in accordance with Article 17 of the Articles of Association, the provisions of Sections 68, 69, 70 and other applicable provisions of the Companies Act, the Rules thereunder and the Buyback Regulations as amended. The Buyback is subject to such other approvals and permissions, as may be required from statutory, regulatory or governmental authorities under applicable laws.

The Board at its meeting held on July 3, 2019 approving the Buyback of Equity Shares of the Company.

8 NECESSITY FOR THE BUYBACK

The Board at the Board Meeting considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended March 31, 2019 and considering these, the Board decided to allocate a maximum sum of Rs. 1,000 Million (Rupees One Thousand Million Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc., for the Buyback. After considering several factors and benefits to the Shareholders of the Company, the Board approved Buyback of up to 1,739,130 (One Million Seven Hundred Thirty Nine Thousand One Hundred and Thirty) its fully paid up Equity Shares (representing 1.26% of the total paid up equity share capital of the Company) at a price of Rs. 575/- (Rupees Five Hundred Seventy Five Only) per Equity Share for a maximum aggregate amount of Rs. 1,000 Million (Rupees One Thousand Million Only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. In this regard, the Promoters and Promoter Group of the Company have expressed, vide their letters dated July 3, 2019 that they do not intend to participate in the Buyback.

The Company's management strives to increase the Equity Shareholders' value and the Buyback would result in the following benefits, amongst other things:

i. The Buyback will improve the Earnings Per Share (EPS), Return on Capital Employed (ROCE) and Return on Equity (ROE);
ii. The Buyback will help in achieving an optimal capital structure;
iii. The Buyback, which is being implemented through the tender offer route as prescribed under the SEBI Buyback Regulations, would involve allocation of number of shares as per the entitlement of the shareholders or 15% of the number of Equity Shares to be bought back whichever is higher, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder" as per Regulation 2 (i)(n) of the SEBI Buyback Regulations;
iv. The Buyback gives an option to the equity shareholders to either (i) choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback or (ii) choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment.

9 MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF THE BUYBACK

9.1 The Buyback is not likely to cause any impact on the profitability or earnings of the Company, except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. In the event that there is 100% acceptance of the Equity Shares tendered in the Buyback from Shareholders on a proportionate basis, the funds deployed by the Company towards the Buyback would be Rs. 1,000 Million (Rupees One Thousand Million only). This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.

9.2 The Buyback is not expected to impact growth opportunities for the Company.

9.3 The Buyback will not result in a change in control or otherwise affect the existing management structure of the Company.

9.4 In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the have expressed, vide their intention letters dated July 3, 2019 that they do not intend to participate in the Buyback.

a. Consequent to the Buyback and based on the number of shares bought back within each category of shareholders, the shareholding pattern of the Company would undergo a change.

b. The aggregate shareholding of the Promoters and Promoter Group and of the directors of the members of the Promoters and Promoter Group, where such member is a company and persons who are in control of the Company as on the date of Public Announcement is as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares held	Percentage (%)
1.	Amit Bakshi	54,698,423	39.77
2.	Himanshu Shah	6,284,500	4.57
3.	Rajendrakumar Patel	5,939,834	4.32
4.	Inderjeet Singh Negi	5,939,833	4.32
5.	Kaushal Shah	4,469,217	3.25
TOTAL		**77,331,807**	**56.23**

c. As on the date of the Public Announcement, the aggregate shareholding of the directors of companies, which are part of the Promoters and Promoter Group is: Not Applicable

d. As on the date of Public Announcement, the details of shareholding of the Directors of the Company:

Sr. No.	Name of Director	No. of Equity Shares held	Percentage (%)
1.	Amit Bakshi	54,698,423	39.77
2.	Himanshu Shah	6,284,500	4.57
3.	Inderjeet Singh Negi	5,939,833	4.32
4.	Vijaya Sampath	2,220	Negligible
5.	Kirit Shelat in joint capacity (Ila Shelat being first holder)	600	Negligible
TOTAL		**66,925,576**	**48.67**

e. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Shareholders up to their entitlement the aggregate shareholding and the voting rights of the Promoters and Promoter Group of the Company, may increase from the existing 56.23% holding in the total equity capital and voting rights of the Company to 56.95%. The Promoters and Promoter Group of the Company are already in control over the Company and therefore such further increase in voting rights of the Promoters and Promoter Group of the Company will not result in any change in control over the Company.

f. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Shareholders up to their entitlement the aggregate shareholding of the public in the Company shall decrease to 43.05% post Buyback from the current pre Buyback shareholding of 43.77%.

9.5 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of the Promoters and Promoter Group of the Company would undergo a change.

9.6 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed under Section 68(2)(d) of Companies Act, even if the response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Shareholders upto their Buyback Entitlement.

9.7 The Company shall not issue any equity shares or other securities (including by way of bonus) till the expiry of the Buyback Period. The Company shall not issue fresh shares or other specified securities (including employee stock options) during the Buyback Period, whether by way of bonus issue or in the discharge of subsisting obligations, such as conversion of convertible loans, convertible instruments, stock options or otherwise.

9.8 The Company shall not raise further capital for a period of one year from the expiry of Buyback Period except in discharge of its subsisting obligations.

9.9 The Promoters or their associates shall not deal in the Shares or other specified securities of the Company in the stock exchange or off-market, including inter- se transfer of shares among the Promoters during the period from the date of passing the board resolution till the closing of the offer in accordance with the Buyback Regulations.

9.10 Salient financial parameters consequent to the Buyback based on the latest audited results as on March 31, 2019 are as under:

Parameter	Standalone		Consolidated	
	Pre Buyback	Post Buyback	Pre Buyback	Post Buyback
Net worth (Rs. In Million) #	11,560.07	10,560.07	11,688.29	10,688.29
Return on Net worth (%) (Profit after tax / Net worth)	24.69%	27.02%	24.91%	27.24%
Earnings per Share (PAT / Weighted average no. of shares)	20.75	21.02	21.15	21.42
Book Value per Share (Net worth / No. of Equity Shares outstanding at the end of the period)	84.06	77.77	84.99	78.72
P/E as per the latest audited financial results$	31.08	30.68	30.49	30.11
Total Debt/Equity Ratio (Total Debt/Net worth)	0.15	0.17	0.15	0.17

Notes:

Pre and Post Buyback calculations are based on audited financials as of March 31, 2019. The post Buyback numbers are calculated by reducing the net worth by the proposed buyback amount (assuming full acceptance) without factoring in any impact on the profit & loss account.

 # Equity share capital + Other Equity. Non-controlling interests has been included in consolidated financial information

$ P/E Ratio based on the closing market price as on March 31, 2019 i.e. Rs.644.90 (source www.nseindia.com)

10 BASIS OF CALCULATING THE BUYBACK PRICE

The Equity Shares of the Company are proposed to be bought back at a price of Rs. 575/- (Rupees Five Hundred Seventy Five only) per Equity Share. The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the market prices of the Equity Shares on the Stock Exchanges where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share.

The Buyback Price of Rs. 575/- (Rupees Five Hundred Seventy Five only) per Equity Share represents a premium of 12.24% and 13.01% over the closing market price of the Equity Shares on the BSE and on the NSE respectively, as on June 24, 2019, being the date on which the Company intimated the Stock Exchanges of the date of the meeting of the Board wherein proposal of the Buyback was to be considered.

11 SOURCES OF FUNDS FOR THE BUYBACK

11.1 Assuming full acceptance, the funds that would be deployed by the Company for the purposes of the Buyback, would be Rs. 1,000 Million (Rupees One Thousand Million only) excluding any expense incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, brokerage, applicable taxes such as securities transaction taxes, goods and services tax, stamp duty, advisors' fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

11.2 The funds for the Buyback will be sourced from internal accruals. The Company has confirmed that funds for Buyback will be available from cash balances and/or liquidation of financial instruments and/or other sources available with the Company as permitted by the Buyback Regulations. The Company shall transfer from its free reserves a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement. The funds borrowed, if any, from banks and financial institutions will not be used for the Buyback.

12 DETAILS OF ESCROW ACCOUNT AND AMOUNT DEPOSITED THEREIN

12.1 In accordance with Regulation 9(xi) of the Buyback Regulations, on September 24, 2019, an Escrow Agreement has been entered into amongst the Company, Manager to the Buyback and the Escrow Agent viz. Axis Bank Limited, pursuant to which Escrow Account in the name and style "Eris Lifesciences Limited Buyback Escrow Account" bearing account number 919020072347381 has been opened with Escrow Agent and deposited cash aggregating to a sum of Rs. 250 Million (Rupees Two Hundred Fifty Million only) i.e. equivalent to 25% of Rs. 1,000 Million by way of security for performance of its obligations under the Buyback Regulations. The Manager to the Buyback is empowered to operate the Escrow Account in accordance with the Buyback Regulations.

12.2 The Company has adequate and firm financial resources to fulfill the obligations under the Buyback and the same has been certified by Mr. Gautam Mehta (Membership No. 112626), Partner of M/s. Khandhar Mehta & Shah, Chartered Accountants, , having its office at 3rd Floor, Devpath Complex, B/h. Lal Bungalow, Off C.G. Road, Navrangpura, Ahmedabad-380 006 vide their certificate dated July 3, 2019.

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

13 CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

13.1 The present capital structure of the Company as on date of the issue of the this Letter of Offer is as follows:

Particulars	Pre Buyback (in Rs. Million)
Authorised Share Capital	
300,000,000 Equity Shares of Re. 1 each	300.00
Issued, Subscribed and Paid-Up Share Capital	
137,519,783 fully paid-up Equity Shares of Re. 1 each	137.52

13.2 Assuming full acceptance in the Buyback, the capital structure post Buyback would be as follows:

Particulars	Post Buyback (in Rs. Million)
Authorised Share Capital	
300,000,000 Equity Shares of Re. 1 each	300.00
Issued, Subscribed and Paid-Up Share Capital	
135,780,653 fully paid-up Equity Shares of Re. 1 each	135.78

13.3 As on the date of the Letter of Offer, there are no outstanding preference shares, partly paid up Equity Shares or calls in arrears.

13.4 As on the date of the Letter of Offer, there are 330,244 outstanding Employee Stock Options.

13.5 The Company shall not issue and allot any Shares including by way of bonus from the date of the Public Announcement till the expiry of the Buyback Period.

13.6 There have been no other buyback programmes of the Company over the last 3 years from the date of the Letter of Offer.

13.7 The shareholding pattern of the Company before the Buyback as on Record Date, i.e., July 15, 2019 and after the Buyback is as follows:

Particulars	Pre Buyback		Post Buyback*	
	Number of Shares	% to existing share capital	Number of Shares	% to existing share capital
Promoters and persons acting in concert	77,331,807	56.23	77,331,807	56.95
Foreign Investors (OCBs/FIIs/NRIs/Non-residents/Non-domestic companies)	10,992,246	7.99	58,448,846	43.05
Indian Financial Institutions/ Banks/Mutual Funds/Govt. Companies	16,105,370	11.71		
Public including other Bodies Corporate	33,090,360	24.07		
Total	**137,519,783**	**100.00**	**135,780,653**	**100.00**

** Assuming full acceptance of 1,739,130 Equity Shares in the Buyback in the ratio of their entitlement*

13.8 No Equity Shares of the Company have been purchased/sold by any of the Promoters and Promoter Group, directors of the Promoters and Promoter Group and the persons who are in control of the Company during the period of twelve months preceding the date of the Board Meeting at which the Buyback was approved and the date of the Public Announcement except as mentioned below:

Amit Bakshi

Aggregate No. of Shares Purchased/ Sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
426,923	Market Purchase	629.91	February 1, 2019	540.00	May 24, 2019

Kaushal Shah

Aggregate No. of Shares Purchased/ Sold	Nature of Transaction	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price
384	Market Purchase	759.98	September 17, 2018	759.98	September 17, 2018

13.9 Assuming full acceptance of the Buyback, the issued, subscribed and paid up equity share capital of the Company would be Rs. 135.78 Million comprising 135,780,653 Equity Shares of Re. 1/- each as more fully set out in paragraph 13.2 of this Letter of Offer.

13.10 Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Shareholders up to their entitlement, the aggregate shareholding of the Promoters and Promoter Group of the Company, post Buyback may increase to 56.95% from 56.23%.

13.11 There is no pending scheme of amalgamation or compromise or arrangement of the Company pursuant to any provisions of the Act.

14 BRIEF INFORMATION ABOUT THE COMPANY

14.1 The Company was incorporated as "Eris Lifescience Private Limited" on January 25, 2007, as a private limited company under the Companies Act 1956, at Ahmedabad, with a certificate of incorporation granted by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. A fresh certificate of incorporation consequent to the change in our Company's name to "Eris Lifesciences Private Limited" was issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on February 9, 2007. Further, pursuant to the conversion of our Company to a public limited company, our Company's name changed to "Eris Lifesciences Limited" and the Registrar of Companies, Ahmedabad (the "RoC") issued a fresh certificate of incorporation on February 2, 2017. Our Company has obtained CIN No. L24232GJ2007PLC049867. The Equity Shares of the Company are listed on the BSE (Code: 540596) and NSE (Code: ERIS).

14.2 The registered and corporate office of the Company is situated at 8th Floor, Commerce House- IV, Prahladnagar, 100 Feet Road, Ahmedabad-380015, Gujarat, India.

14.3 The Company is engaged in the business of manufacturing, marketing and distributing branded formulations in the Indian market. It has presence in high growth chronic and acute therapeutic areas that require high intervention of specialists and super specialists.

14.4 The total authorised share capital of the Company is Rs. 300 Million consisting of 300,000,000 Equity Shares of Re. 1/- each. As on date the subscribed, issued and paid up share capital of the Company consisted of 137,519,783 Equity Shares of Re. 1/- each aggregating Rs. 137,519,783/-.

14.5 Following is the equity share capital history of the Company since inception:

Sr. No.	Date Of Allotment	No. of Equity shares	Face Value (Rs.)	Issue Price Per Share (Rs.)	Type of issue (IPO/FPO/ Preferential Issue/ Scheme/Bonus/ Rights, etc.)	Cumulative Capital (No. of Shares)	Cumulative paid up share capital (Rs.)
1	January 25, 2007	10,000	10	10	Subscription to the Memorandum	10,000	100,000
2	March 31, 2009	100,000	10	NA	Bonus Issue (10:1)	110,000	1,100,000
3	August 21, 2010	27,500	10	10	Further Issue	137,500	1,375,000
4	**Pursuant to a shareholders' resolution dated September 5, 2016, each equity share of face value of Rs. 10/- each was split into ten equity shares of Rs. 1/- each, therefore 137,500 equity shares of Rs. 10/- each was split into 1,375,000 equity shares of Rs. 1/- each.**						
5	September 6, 2016	136,125,000	1	NA	Bonus Issue (99:1)	137,500,000	137,500,000
6	April 21, 2018	5,486	1	451.04	ESOP	137,505,486	137,505,486
7	August 16, 2018	9,975	1	451.04	ESOP	137,515,461	137,515,461
8	November 20, 2018	2,161	1	451.04	ESOP	137,517,622	137,517,622
9	February 18, 2019	2,161	1	451.04	ESOP	137,519,783	137,519,783

14.6 The Board of Directors of the Company comprises the following:

Name, Occupation, Age and DIN	Designation	Qualifications	Date of Appointment / Reappointment	Directorships in Companies and designated partnerships in LLPs
Name: Amit Indubhushan Bakshi **Age**: 45 years **Occupation**: Business **DIN**: 01250925	Executive Director (Chairman and managing Director)	Indian School Certificate examination	January 27, 2007	1. Eris Therapeutics Private Limited 2. Horizon Blue Ventures LLP
Name: Kirit Nanubhai Shelat **Age**: 73 years **Occupation**:	Independent Director	Bachelor's degree in Arts, Ph.D. degree (Arts)	February 3, 2017	1. Deep Industries Limited

Name, Occupation, Age and DIN	Designation	Qualifications	Date of Appointment / Reappointment	Directorships in Companies and designated partnerships in LLPs
Professional **DIN**: 00190619				
Name: Mr. Prashant Gupta **Age**: 40 years **Occupation**: Professional **DIN**: 08122641	Independent Director	B.A. (Juris), M.A. (Juris), B.Com (Hons.)	April 30, 2018	Nil
Name: Mrs. Vijaya Sampath **Age**: 66 years **Occupation**: Advocate **DIN**: 00641110	Independent Director	Bachelor's degree in Arts (English literature), Law degree (LLB), Company Secretary	February 3, 2017	1. Safari Industries (India) Limited 2. Ingersoll-Rand (India) Limited 3. Nabha Power Limited 4. Craftsman Automation Limited 5. Varroc Engineering Limited 6. GVS Envicon Tegnologies Pvt. Ltd. 7. Intellect Design Arena Limited 8. L&T- MHPS Boilers Private Limited 9. L&T - MHPS Turbine Generators Private Limited 10. VCAPLEGAL LLP (in the process of voluntary strike off) 11. Xpro India Limited
Name: Himanshu Jayantbhai Shah **Age**: 43 years **Occupation**: Business **DIN**: 01301025	Executive Director (WTD)	Bachelor's degree in science, Diploma in pharmacy, Diploma in management	January 25, 2007	1. Eris Therapeutics Private Limited
Name: Inderjeet Singh Negi **Age**: 48 years **Occupation**: Business **DIN**: 01255388	Executive Director (WTD)	Bachelor's degree in science	January 27, 2007	1.Eris Therapeutics Private Limited 2. Kinedex Healthcare Private Limited

14.7 The details of change in Board of Directors during the last 3 years from the date of this Letter of Offer are as under:

Name	Appointment/ Resignation/Cessation	Effective Date	Reasons
Mr. Kaushal Kamlesh Shah	Resignation	January 5, 2017	Other Pre-Occupations
Mr. Rajendra Rambhai Patel	Resignation	January 5, 2017	Other Pre-Occupations
Mr. Kirit Nanubhai Shelat	Appointment	February 3, 2017	Compliance of LODR
Mrs. Vijaya Sampath	Appointment	February 3, 2017	Compliance of LODR
Mr. Rajiv Gulati	Appointment	February 3, 2017	Compliance of LODR
Mr. Shardul Suresh Shroff	Appointment	February 3, 2017	Compliance of LODR
Mr. Sanjiv Dwarkanath Kaul	Resignation	May 26, 2017	Cease to be Nominee Director due to exit of Investor
Mr. Rajiv Gulati	Resignation	October 6, 2017	Personal Reasons
Mr. Shardul Suresh Shroff	Resignation	February 1, 2018	Personal Commitments
Mr. Prashant Gupta	Appointment	April 30, 2018	Compliance of LODR

14.8 The Buyback will not result in any benefit to any directors of the Company / Promoters and Promoter Group of the Company / persons in control of the Company / group companies except to the extent of the increase in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to a reduction in the equity share capital post Buyback and monetary benefit to the extent of participation by directors, if any, of the Company in the Buyback.

15 FINANCIAL INFORMATION ABOUT THE COMPANY

1. The brief audited consolidated financial information of the Company for the last three financial years and unaudited limited review financial information for the half year ended September 30,2019 are provided below:

(Rs. In Million)

Particulars	For the half year ended Sep-19 (Unaudited-subjected to limited review)	For the year ended Mar-19 (Audited)	For the year ended Mar-18 (Audited)	For the year ended Mar-17 (Audited)
Revenue from Operations	5,590.94	9,821.61	8,556.04	7,494.96
Other Income	79.96	316.94	264.08	251.13
Total Income	**5,670.90**	**10,138.55**	**8,820.12**	**7,746.09**
Total Expense (Excluding Interest and Depreciation)	3,447.35	6,372.48	5,335.91	4,804.28
Finance Costs	14.19	228.95	105.50	10.33
Depreciation and Amortization Expense	232.42	363.54	256.42	227.61
Profit Before Tax	**1,976.94**	**3,173.58**	**3,122.29**	**2,703.87**
Provision for Tax (including Deferred Tax)	209.28	262.11	172.51	237.80
Profit/(Loss) After Tax	**1,767.66**	**2,911.47**	**2,949.78**	**2,466.07**
Paid-up Equity Share capital of the Company	137.52	137.52	137.50	137.50
Other Equity	13,101.30	11,367.66	8,475.57	5,533.86
Non-controlling interest	-	183.11	246.65	237.93
Net Worth	13,238.82	11,688.29	8,859.72	5,909.29
Total Debt	12.17	1,764.61	3,771.28	77.60

Key Ratios	For the half year ended Sep-19 (Unaudited-subjected to limited review)	For the year ended Mar-19 (Audited)	For the year ended Mar-18 (Audited)	For the year ended Mar-17 (Audited)
Basic Earnings per Share (Rs.)	12.85*	21.15	21.39	17.95
Diluted Earnings per Share (Rs.)	12.84*	21.13	21.39	17.95
Book value per Share (Rs.)	96.27	84.99	64.43	42.98
Return on Net Worth	13.35%*	24.91%	33.29%	41.73%
Debt-Equity Ratio (in times)	0.001	0.15	0.43	0.01
Total Debt / Net Worth	0.001	0.15	0.43	0.01

* Not annualised

2. The brief audited standalone financial information of the Company for the last three financial years and unaudited limited review financial information for the half year ended September 30, 2019 are provided below:

(Rs. In Million)

Particulars	For the half year ended Sep-19 (Unaudited-subjected to limited review)	For the year ended Mar-19 (Audited)	For the year ended Mar-18 (Audited)	For the year ended Mar-17 (Audited)
Revenue from Operations	5,352.25	8,965.39	7,606.01	7,129.04
Other Income	76.19	324.99	282.23	250.79
Total Income	**5,428.44**	**9,290.38**	**7,888.24**	**7,379.83**
Total Expense (Excluding Interest and Depreciation)	3,276.54	5,628.80	4,447.14	4,417.62
Finance Costs	12.51	227.93	104.29	7.95
Depreciation and Amortization Expense	205.68	315.89	217.92	214.41
Profit Before Tax	**1,933.71**	**3,117.76**	**3,118.89**	**2,739.85**
Provision for Tax (including Deferred Tax)	198.80	263.95	182.34	258.44
Profit/ (Loss) After Tax	**1,734.91**	**2,853.81**	**2,936.55**	**2,481.41**
Paid-up Equity Share capital of the Company	137.52	137.52	137.50	137.50
Other Equity	13,154.29	11,422.55	8,544.29	5,608.47
Net Worth	13,291.81	11,560.07	8,681.79	5,745.97
Total Debt	8.14	1,759.53	3,764.06	71.12

Key Ratios	For the half year ended Sep-19 (Unaudited-subjected to limited review)	For the year ended Mar-19 (Audited)	For the year ended Mar-18 (Audited)	For the year ended Mar-17 (Audited)
Basic Earnings per Share (Rs.)	12.62*	20.75	21.36	18.05
Diluted Earnings per Share (Rs.)	12.60*	20.74	21.36	18.05
Book value per Share (Rs.)	96.65	84.06	63.14	41.79
Return on Net Worth	13.05%*	24.69%	33.82%	43.19%
Debt-Equity Ratio (in times)	0.001	0.15	0.43	0.01
Total Debt / Net Worth	0.001	0.15	0.43	0.01

* Not annualised

The Key ratios in point 1 and 2 have been computed as below:

Key Ratios	Basis of Calculation
Net Worth	Equity share capital + Other Equity. Non-controlling interests has been included in consolidated financial information
Basic Earnings per Share (Rs.)	PAT / Weighted average number of Equity Shares
Diluted Earnings per Share (Rs.)	PAT / Weighted average number of Equity Shares after considering dilutive potential equity share
Book value per Share (Rs.)	Net worth / Number of Equity Shares outstanding at the end of the period
Return on Net Worth	Profit after tax / Net worth
Total Debt	Non-current borrowings + Current borrowings + Current maturities of non-current borrowings + Book Overdraft

3. The Company shall abide by the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company has complied with Sections 68, 69 and 70 of the Companies Act, 2013.

16 STOCK MARKET DATA

1. The Shares of the Company are listed on BSE and NSE.
2. The high, low and average of closing market prices for the last two financial years (April to March periods) since the Company was listed on June 29, 2017 and for the six months preceding the date of Public Announcement, i.e. July 4, 2019 and published on July 5, 2019, and the corresponding volumes on BSE are as follows:

Period	High (Rs.)	Date of High	Number of Shares traded on that date	Low (Rs.)	Date of Low	Number of Shares traded on that date	Average Price (Rs.)	Total volume traded in the period
2 Years								
FY 2019	811.55	April 16, 2018	1,573	580.00	November 12, 2018	5,957	699.49	1,849,723
FY 2018	825.75	March 15, 2018	2,413	525.75	August 11, 2017	38,935	672.93	10,215,768
6 months								
June, 2019	519.70	June 21, 2019	624	486.6	June 18, 2019	455	505.98	20,108
May, 2019	630.85	May 02, 2019	86	513.45	May 30, 2019	1,337	582.76	17,212
April, 2019	637.25	April 16, 2019	165	618	April 23, 2019	339	629.41	64,464
March, 2019	656.95	March 12, 2019	308	609.3	March 01, 2019	439	638.00	20,968
February, 2019	664.50	February 04, 2019	1,024	605.15	February 28, 2019	351	629.25	30,318
January, 2019	709.15	January 16, 2019	3,720	623.9	January 31, 2019	926	677.42	20,442

Source: www.bseindia.com

3. The high, low and average of closing market prices for the last two financial years (April to March periods) since the Company was listed on June 29, 2017 and for the six months preceding the Public Announcement i.e. July 4, 2019 and published on July 5, 2019 and the corresponding volumes on NSE are as follows:

Period	High (Rs.)	Date of High	Number of Shares traded on that date	Low (Rs.)	Date of Low	Number of Shares traded on that date	Average Price (Rs.)	Total volume traded in the period
2 Years								
FY 2019	810.10	April 11, 2018	64,616	589.35	November 12, 2018	313,883	699.90	8,042,195
FY 2018	826.10	March 13, 2018	570,500	528.25	August 11, 2017	178,480	674.18	44,998,491
6 months								
June, 2019	519.25	June 21, 2019	14,902	485.55	June 18, 2019	7,880	506.06	540,329
May, 2019	629.55	May 10, 2019	12,120	515	May 30, 2019	27,733	583.23	790,530
April, 2019	638.75	April 16, 2019	5,338	618.85	April 03, 2019	20,108	630.10	160,133
March, 2019	659.05	March 15, 2019	5,731	609.85	March 01, 2019	5,553	638.87	314,170
February, 2019	664.30	February 04, 2019	17,713	604.65	February 26, 2019	16,965	628.71	324,510
January, 2019	707.5	January 16, 2019	83,360	627.4	January 31, 2019	282,217	677.14	648,607

Source: www.nseindia.com

4. Notice of the Board Meeting convened to consider the proposal of the Buyback was given to the BSE and NSE on June 24, 2019. The closing market price of the Company's Equity Share on June 24, 2019 on BSE was Rs. 512.30 and on NSE was Rs. 508.80. The Board, at its meeting held on July 3, 2019 approved the proposal for the Buyback and the intimation was sent to Stock Exchanges on July 3, 2019. The high, low and closing market prices on July 2, 2019 (being the trading day before the date on which the Board Meeting was held to approve the Buyback), on BSE were Rs. 512.40, Rs. 504.95 and Rs. 505.35, respectively and on NSE were Rs. 510.50, Rs. 504.25 and Rs. 505.65, respectively. The closing market price on July 3, 2019 on BSE was Rs. 498.10 and on NSE was Rs. 498.45.

17 DETAILS OF STATUTORY APPROVALS

1. The Buyback offer is subject to approvals, if any required, under the provisions of the Act, the Buyback Regulations, FEMA and/or such other acts in force for the time being.
2. The Board at its meeting held on July 3, 2019, approved the proposal for the Buyback.
3. The Buyback of Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities, including RBI, as applicable. It is the obligation of such Non-Resident Shareholders, to obtain such approvals and submit such approvals along with the tender form, so as to enable them to tender equity shares in the buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.
4. By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
5. As of date, there is no other statutory or regulatory approval required to implement the Buyback, other than that indicated above. If any statutory or regulatory approval becomes applicable subsequently, the Buyback Offer will be subject to such statutory or regulatory approval(s). In the event of any delay in receipt of any statutory / regulatory approvals, changes to the proposed timetable of the Buyback Offer, if any, shall be intimated to the Stock Exchanges.

18 DETAILS OF THE REGISTRAR TO THE BUYBACK

Link Intime India Private Limited
Address: C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India
Contact Person: Mr. Sumeet Deshpande
Tel.:+91 22 4918 6200
Fax: +91 22 4918 6195
Email: eris.buyback@linkintime.co.in
SEBI Registration Number: INR000004058

In case of any query, the Shareholders may contact the Registrar, from Monday to Friday between 10 am to 5 pm on all working days except public holidays at the above mentioned address.

IT IS NOT MANDATORY FOR ELIGIBLE SHAREHOLDERS HOLDING AND TENDERING EQUITY SHARES IN DEMAT FORM TO SUBMIT THE TENDER FORM AND THE TRS.

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

19 PROCESS AND METHODOLOGY FOR THE BUYBACK

1. The Company proposes to Buyback up to 1,739,130 Equity Shares from the existing Shareholders / beneficial owners of Equity Shares of the Company, on a proportionate basis, through the Tender Offer route at a price of Rs. 575/- (Rupees Five Hundred Seventy Five only) per Equity Share, payable in cash for a maximum aggregate consideration not exceeding Rs. 1,000 Million (Rupees One Thousand Million only), being not more than 25% of the total paid-up Equity Share capital and free reserves (including securities premium account) of the Company

as per the audited accounts for the financial year ended March 31, 2019. The maximum number of Equity Shares proposed to be bought back represents approximately 1.26% of the total paid-up Equity Share capital of the Company as on March 31, 2019. The Buyback is in accordance with Article 17 of the Articles of Association of the Company and subject to the provisions of Section 68 and all other applicable provisions, if any, of the Companies Act and in compliance with Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory authorities including but not limited to SEBI, Stock Exchanges, RBI etc.

2. The aggregate shareholding of the Promoters and Promoter Group is 77,331,807 Equity Shares, which represents 56.23% of the existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group have expressed, vide their letters dated July 3, 2019 that they do not intend to participate in the Buyback.

3. Assuming response to the Buyback Offer is to the extent of 100% from all the Shareholders up to their entitlement (full acceptance), post Buyback the aggregate shareholding of the Promoters and Promoter Group will be 77,331,807 Equity Shares, representing 56.95% of the post Buyback Equity Share capital of the Company i.e. an increase of 0.72% (rounded-off) from their present holding of 56.23% of the pre Buyback Equity Share capital of the Company.

a. Record Date, ratio of Buyback and entitlement of each Shareholder

   The Board has fixed Monday, July 15, 2019 as the Record Date for the purpose of determining the entitlement and the names of the Shareholders, who are eligible to participate in the Buyback Offer.

b. The Equity Shares proposed to be bought back by the Company shall be divided in two categories:
   1. Reserved category for Small Shareholders ("**Reserved Category**"); and
   2. General category for all Shareholders other than Small Shareholders ("**General Category**")

c. As defined under Regulation 2(i)(n) of the Buyback Regulations, a "Small Shareholder" is a Shareholder who holds Equity Shares having market value, on the basis of closing price on July 15, 2019 i.e. as on Record Date, on the recognized stock exchange in which highest trading volume in respect of such security is recorded, as on record date is not more than Rs. 2,00,000/- (Rupees Two Lakh only). As on the Record Date, the closing price on NSE, having the highest trading volume was Rs. 455.10/- per Equity Share, accordingly all Shareholders holding not more than 439 Equity Shares as on the Record Date are classified as 'Small Shareholders' for the purpose of the Buyback Offer.

d. Based on the above definition, there are 31,890 Small Shareholders with aggregate shareholding of 1,205,234 Shares, as on the Record Date, which constitutes 0.88% of the outstanding paid up Equity Share capital of the Company and 69.30% of the number of Equity Shares which are proposed to be bought back as part of this Buyback Offer.

e. In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be 260,870 Equity Shares which is higher of:
   1. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 1,739,130 Equity Shares which works out to 260,870 Equity Shares (rounded off); or
   2. The number of Equity Shares to which the Small Shareholders are entitled, as per their shareholding as on Record Date i.e. [(1,205,234/ 137,519,783) X 1,739,130] which works out to 15,242 Equity Shares.

      All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders.

f. Based on the above analysis and in accordance with Regulation 6 of the Buyback Regulations, 260,870 Equity Shares have been reserved for the Small Shareholders ("**Reserved Category")** and accordingly, the General Category for all other Eligible Sellers shall consist of 1,478,260 Equity Shares ("**General Category**").

g. In order to ensure that the same Eligible Seller with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Seller with a common Permanent Account Number ("**PAN**") shall be clubbed together for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Sellers holding physical shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders

are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ sub-accounts and have a different demat account nomenclature based on information prepared by the Registrar as per the shareholder records received from the depositories. Further, the Equity Shares held under the category of "clearing members" or "corporate body margin account" or "corporate body – broker" as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients

h. Based on the above, the entitlement ratio of Buyback for both categories is decided as below:

Category Entitlement Ratio of Buyback

Category	Entitlement Ratio of Buyback*
Reserved Category	**50** Equity Shares out of every **231** fully paid-up Equity Shares held on the Record Date
General Category	**5** Equity Shares out of every **461** fully paid-up Equity Shares held on the Record Date

**The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 21.6447594% and General category for all other Eligible Shareholders is 1.08444770%.*

4. **Fractional Entitlements**

If the entitlement under Buyback, after applying the above mentioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 Equity Share) then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback Offer, for both categories of Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 4 or less Equity Shares as on Record Date, will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender additional Equity Shares as part of the Buyback Offer and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered for additional Equity Shares.

5. **Basis of Acceptance of Equity Shares validly tendered in the Reserved Category**

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

a. Full acceptance of Shares from Small Shareholders in the Reserved Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.

b. Post the acceptance as described in paragraph 19.5 (a), in case, there are any Shares left to be bought back in the Reserved Category, the Small Shareholders who were entitled to tender zero Shares (on account of ignoring the fractional entitlement), and have tendered additional Shares, shall be given preference and one Equity Share each from the additional Shares tendered by these Small Shareholders shall be bought back in the Reserved Category.

c. Post the acceptance as described in paragraph 19.5(a) and (b), in case, there are any validly tendered unaccepted Shares in the Reserved Category (**"Reserved Category Additional Shares"**) and Shares left to be bought back in Reserved Category, the Reserved Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the Reserved Category Additional Shares tendered by the Shareholder divided by the total Reserved Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in Reserved Category. For the purpose of this calculation, the Reserved Category Additional Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with paragraph 19.5 (b), shall be reduced by one.

d. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.5 (c), will be made as follows:

- For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.

- For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

6. **Basis of Acceptance of Equity Shares validly tendered in the General Category**

Subject to the provisions contained in this Letter of Offer, the Company will accept the Shares tendered in the Buyback Offer by Shareholders (other than Small Shareholders) in the General Category in the following order of priority:

a. Full acceptance of Shares from Shareholders in the General Category who have validly tendered their Shares, to the extent of their Buyback Entitlement, or the number of Shares tendered by them, whichever is less.

b. Post the acceptance as described in paragraph 19.6 (a), in case, there are any validly tendered unaccepted Shares in the General Category ("**General Category Additional Shares"**) and Shares left to be bought back in General Category, the General Category Additional Shares shall be accepted in a proportionate manner and the acceptances shall be made in accordance with the Buyback Regulations, i.e. valid acceptances per Shareholder shall be equal to the General Category Additional Shares by the Shareholder divided by the total General Category Additional Shares and multiplied by the total number of Shares remaining to be bought back in General Category.

c. Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6 (b), will be made as follows:

   - For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.

   - For any Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

7. **Basis of Acceptance of Equity Shares between the two categories**

a. After acceptances of tenders, as mentioned in paragraph 19.5 and 19.6, in case, there are any Shares left to be bought back in one category ("**Partially Filled Category**") and there are additional unaccepted validly tendered Shares **(**"**Further Additional Shares**"**)** in the second category ("**Over Tendered Category**"), then the Further Additional Shares in the Over Tendered Category shall be accepted in a proportionate manner i.e. valid acceptances per Shareholder shall be equal to Further Additional Shares validly tendered by the Shareholder in the Over Tendered Category divided by the total Further Additional Shares in the Over Tendered Category and multiplied by the total Shares left to be bought back in the Partially Filled Category.

b. If the Partially Filled Category is the General Category and the Over Tendered Category is the Reserved Category, then any Small Shareholder who has received a Tender Form with zero Buyback Entitlement and who has tendered Additional Shares shall be eligible for priority acceptance of one Equity Share before acceptance in paragraph 19.7(a) out of the Shares left to be bought back in the Partially Filled Category provided no acceptance could take place from such Shareholder in accordance with paragraph 19.5.

c. Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.7(a):

   - For any Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.

   - For any Shareholder, if the number of Further Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

In case of any practical issues, resulting out of rounding-off of Shares or otherwise, the Buyback Committee or any person(s) authorized by the Buyback Committee will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19.

8. **For avoidance of doubt, it is clarified that, in accordance with the clauses above:**

   - Shares accepted under the Buyback from each Eligible Shareholder, shall be lower of the following:

- the number of Shares tendered by the respective Shareholder; or
- the number of Shares held by the respective Shareholder, as on the Record Date.

- Shares tendered by any Shareholder over and above the number of Shares held by such Shareholder as on the Record Date shall not be considered for the purpose of acceptance.

20. PROCEDURE FOR TENDERING SHARES AND SETTLEMENT

1. The Buyback is open to all Equity Shareholders / beneficial owners of the Company holding Equity Shares on the Record Date.

2. The Eligible Shareholders holding Equity Shares on the Record Date in physical form can participate in the Buyback after such Equity Shares are dematerialized by approaching depository participant.

3. The Company proposes to effect the Buyback through the Tender Offer route, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed/dispatched to Eligible Shareholders.

4. The Eligible Shareholders who have registered their email IDs with the depositories / the Company, shall be dispatched the Letter of Offer through electronic means. The Eligible Shareholders who have not registered their email ids with the depositories / the Company, shall be dispatched the Letter of Offer through physical mode by registered post / speed post / courier. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.25 below. The Company shall accept all the Equity Shares validly tendered in the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.

5. The Company will not accept any Equity Shares offered for Buyback which are under any restraint order of a court for transfer/ sale of such shares or where the title to the Equity Shares is under dispute or otherwise not clear. The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buyback by the Eligible Shareholders, on the basis of the Buyback entitlement as on the Record Date.

6. Eligible Shareholders' participation in Buyback is voluntary. Eligible Shareholders holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate. Eligible Shareholders holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholders holding Equity Shares of the Company also have the option of tendering Additional Shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other Eligible Shareholders, if any. If the Buyback entitlement for any Eligible Shareholder is not a round number, then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback. The acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of the procedure outlined herein.

7. The maximum tender under the Buyback by any Eligible Shareholder cannot exceed the number of Equity Shares held by the Eligible Shareholder as on the Record Date.

8. The Company shall accept all the Equity Shares validly tendered for the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.

9. As elaborated under paragraph 19.3(h) above, the Equity Shares proposed to be bought as a part of the Buyback are divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for all other Eligible Shareholders. The Buyback Entitlement of Eligible Shareholders in each category shall be calculated accordingly.

10. Post acceptance of the Equity Shares tendered on the basis of Buyback Entitlement, Equity Shares left to be bought as a part of the Buyback, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buyback Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buyback Entitlement, in other category.

11. The Buyback will be implemented by the Company through the Stock Exchange mechanism, as provided under

the Buyback Regulations and circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, issued by SEBI, BSE Notice Number 20170202-34 dated February 2, 2017 and in accordance with the procedure prescribed in the Act and the Buyback Regulations and as may be determined by the Board (including the committee/persons authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.

12. For the implementation of the Buyback, the Company has appointed Axis Capital Limited ("**Company's Broker**") as the registered broker through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

Axis Capital Limited
5th Floor, Axis House,
C-2 Wadia International Centre,
P. B. Marg, Worli, Mumbai - 400 025
Tel.: +91 22 4325 5579
Fax: +91 22 4325 5599
Contact Person: Mr. Ram Shinde
Email: qib@axiscap.in
SEBI Registration No.: INZ000189931

13. The Company will request BSE to provide the separate acquisition window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. The BSE would be the designated stock exchange for the Buyback ("**Designated Stock Exchange**"). The details of the platform will be specified by Designated Stock Exchange from time to time. In case Eligible Shareholders registered stock broker is not registered with BSE, Eligible Shareholders may choose to approach Company's Broker to place its bid.
14. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers ("**Seller Member(s)**").
15. In the event Seller Member(s) are not registered with the Designated Stock Exchange or if the Eligible Shareholders do not have any stock broker then that Eligible Shareholders can approach any stock broker registered with the Designated Stock Exchange and can make a bid by using quick unique client code ("**UCC**") facility through that stock broker registered with the Designated Stock Exchange after submitting the details as may be required by the stock broker to be in compliance with the Buyback Regulations. In case Eligible Shareholders are not able to bid using quick UCC facility through any other stock broker registered with the Designated Stock Exchange, then the Eligible Shareholders may approach Company's Broker viz. Axis Capital Limited, to bid by using quick UCC facility after submitting requisite documents.

<u>In case of the Shareholder being an individual</u>

(a) If the Shareholder is already registered with a KYC Registration Agency ("**KRA**"), the following documents will be required to be submitted (duly filled and completed):

(i) Central Know Your Client ("**CKYC**") form including FATCA, IPV, OSV if applicable;

(ii) Know Your Client ("**KYC**") form and the supporting documents (all such documents are required to be self-attested) including bank account details (cancelled cheque);

(iii) DP details where the Equity Shares are deposited (demat master / latest demat statement), assuming the Equity Shares are in dematerialised mode.

(b) If the Shareholder is not already registered with a KRA, the following documents will be required to be submitted (duly filled and completed):

(i) CKYC form including FATCA, IPV, OSV if applicable;

(ii) KRA form;

(iii) KYC form and the following supporting documents (all such documents are required to be self-attested): PAN card copy, address proof, and bank account details (cancelled cheque);

(iv) DP details where the Equity Shares are deposited (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.

In case of the Shareholder being a Hindu Undivided Family ("HUF")

(a) If the Shareholder is already registered with a KRA, the following documents will be required to be submitted (duly filled and completed):

(i) CKYC form of the 'karta' including FATCA, IPV, OSV if applicable;

(ii) KYC form and the supporting documents (all such documents are required to be self-attested) including bank account details (cancelled cheque);

(iii) DP details where the Equity Shares are deposited (demat master / latest demat statement), assuming the Equity Shares are in dematerialised mode.

(b) If the Shareholder is not already registered with a KRA, the following documents will be required to be submitted (duly filled and completed):

(i) CKYC form of the 'karta' including FATCA, IPV, OSV if applicable;

(ii) KRA form;

(iii) KYC form and the following supporting documents (all such documents are required to be self-attested): PAN card copy of HUF and karta, address proof of HUF and karta, HUF declaration and bank account details (cancelled cheque);

(iv) DP details where the Equity Shares are deposited (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.

In case of the Shareholder being other than an individual and HUF

(a) If the Shareholder is already registered with a KRA, the following documents will be required to be submitted (duly filled and completed):

(i) KYC form and the supporting documents (all such documents are required to be self-attested) including bank account details (cancelled cheque);

(ii) DP details where the Equity Shares are deposited (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 the Shareholder is not already registered with a KRA, the following documents will be required to be submitted (duly filled and completed):

(i) KRA form;

(ii) KYC form and the following supporting documents (all such documents are required to be self-attested): PAN card copy of the company / firm / trust, address proof of the company / firm / trust and bank account details (cancelled cheque);

(iii) DP details where the Equity Shares are deposited (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 and 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) Memorandum of association / partnership deed / trust deed.

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.

16. All Eligible Shareholders, through their respective Seller Member will be eligible and responsible to place orders in the acquisition window. All Eligible Shareholders can enter orders for Equity Shares in demat form only.

17. During the Tendering Period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective Seller Members during normal trading hours of the secondary market.

18. Seller Members can enter orders for Equity Shares in demat form only.

19. Modification/ cancellation of orders and multiple bids from a single Shareholder will be allowed during the Tendering Period of the Buyback offer. Multiple bids made by single Shareholder for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of acceptance.

20. The cumulative quantity tendered shall be made available on websites of the Stock Exchange at www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.

21. All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.

22. Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form

    a) Eligible Shareholders who desire to tender their Equity Shares in the electronic form under Buyback would have to do so through their respective Seller Member by indicating to their Seller Member the details of Equity Shares they intend to tender under the Buyback.

    b) The Seller Member would be required to place an order/ bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the Designated Stock Exchange. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of the Clearing Corporation, by using the early pay in mechanism of the Depository prior to placing the order/ bid on the platform of the Stock Exchanges by the Seller Member. For further details, Eligible Shareholders may refer to the circulars issued by the Stock Exchange/ Clearing Corporation.

    c) The details of the settlement number of the special account of the Clearing Corporation under which the Equity Shares are to be transferred in the account of Clearing Corporation for the Buyback will be provided in a separate circular to be issued by the Clearing Corporation.

    d) For custodian participant orders, early pay-in is mandatory prior to confirmation of order/bid by custodian.

The custodian shall either confirm or reject the orders not later than the closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

e) Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like bid ID number, application number, DP ID, client ID, number of Equity Shares tendered, etc.

f) Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):

   i. Duly attested power of attorney, if any person other than the Eligible Shareholder has signed the Tender Form;

   ii. Duly attested death certificate and succession certificate/ legal heirship certificate/court approved scheme of merger/amalgamation for a company, in case any Eligible Shareholder has expired; and

   iii. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).

g) In case of demat Equity Shares, submission of Tender Form and TRS is not mandatory. In case of non-receipt of the completed tender form and other documents, but receipt of Equity Shares in the accounts of the Clearing Corporation and a valid bid in the exchange bidding system, the bid for Buyback shall be deemed to have been accepted.

h) The cumulative quantity tendered shall be made available on the website of the Stock Exchange throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

i) The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the savings bank account attached with the DP account active and updated to receive credit remittance due to acceptance of Buyback of shares by the Company.

23. Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in Physical form

All Eligible Shareholders of the Company holding Equity Shares in physical form should note that pursuant to provisions of the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations") read with press release no. 12/2019 dated March 27, 2019 issued by SEBI, with effect from April 1, 2019, the request for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository. Accordingly, the Company shall not accept the Equity Shares tendered under the Buy-Back unless such Equity Shares are in dematerialised form.

ACCORDINGLY, ALL ELIGIBLE SHAREHOLDERS OF THE COMPANY HOLDING EQUITY SHARES IN PHYSICAL FORM AND DESIROUS OF TENDERING THEIR EQUITY SHARES ARE ADVISED TO APPROACH THE CONCERNED DEPOSITORY PARTICIPANT TO HAVE THEIR EQUITY SHARES DEMATERIALIZED.

IN CASE ANY ELIGIBLE SHAREHOLDER HAS SUBMITTED EQUITY SHARES IN PHYSICAL FORM FOR DEMATERIALIZATION, SUCH ELIGIBLE SHAREHOLDERS SHOULD ENSURE THAT THE PROCESS OF DEMATERIALIZATION IS COMPLETED WELL IN TIME SO THAT THEY CAN PARTICIPATE IN THE BUYBACK BEFORE BUYBACK CLOSING DATE.

24. For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (Read with paragraph 17 "Details of the Statutory Approvals"):

a) Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.

b) FII/FPI shareholders should also enclose a copy of their SEBI registration certificate.

c) In case the Equity Shares are held on repatriation basis, the Non-Resident Eligible Shareholder shall obtain and enclose a letter from its authorised dealer / bank confirming that at the time of acquiring such Equity Shares, payment for the same was made by the non-resident Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Seller is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Seller shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity shares accepted under the Buyback.

d) If any of the above stated documents (as applicable) are not enclosed along with the Tender Form, the Equity Shares tendered under the Buyback are liable to be rejected.

THE NON RECEIPT OF THE LETTER OF OFFER BY, OR ACCIDENTAL OMISSION TO DISPATCH THE LETTER OF OFFER TO ANY PERSON WHO IS ELIGIBLE TO RECEIVE THE SAME TO PARTICIPATE IN THE BUYBACK, SHALL NOT INVALIDATE THE BUYBACK OFFER IN ANY WAY.

The instructions and authorizations contained in the Tender Form constitute an integral part of the terms of this Buyback.

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

a) If Eligible Shareholder(s) who have been sent the Letter of Offer through electronic means wish to obtain a physical copy of the Letter of Offer, they may send a request in writing to the Company or Registrar at the address or email id mentioned at the cover page of the Letter of Offer stating name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a physical copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may participate in the Buyback by downloading the Tender Form from the website of the Company i.e. www.eris.co.in or the website of the registrar at www.linkintime.co.in or by providing their application in writing on plain paper, signed by all Equity Shareholders, stating name and address of Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name/ ID, beneficiary account number and number of Equity Shares tendered for the Buyback.

Eligible Shareholder(s) who intend to participate in the Buyback using the "plain paper" option as mentioned in this paragraph are advised to confirm their entitlement from the Registrar to Buyback, before participating in the Buyback.

Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Seller Member (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Seller Member or broker in the electronic platform to be made available by the Designated Stock Exchange before the Buyback Closing Date.

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

b) The participation of the Eligible Shareholders in the Buyback is entirely at the discretion of the Eligible Shareholders. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback. The Company will not be responsible in any manner for any loss of Share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.

26. **Method of Settlement**

Upon finalization of the basis of acceptance as per Buyback Regulations:

1 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

2 The Company will pay the consideration to the Company's Broker who will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank accounts as per the prescribed schedule.

3 For Equity Shares accepted under the Buyback, the Clearing Corporation will make direct funds payout to

respective Eligible Shareholders. If Eligible 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 Seller Members' settlement bank account for onward transfer to respective Eligible Shareholders.

4 In case of Eligible Sellers where there are specific RBI and other regulatory requirements pertaining to funds pay-out, which do not opt to settle through custodians, the funds pay-out would be given to their respective Seller Members settlement bank account for onward transfer to the Eligible Sellers. For this purpose, the client type details would be collected from the Registrar to the Buyback.

5 The Equity Shares bought back in would be transferred directly to the demat account of the Company opened for Buyback **("Special Demat Account")** provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Special Demat Account on receipt of the Equity Shares from the Clearing Corporation.

6 Excess Equity Shares or unaccepted Equity Shares, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible Shareholder's DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the respective Eligible Shareholder.

7 Eligible Sellers tendering Equity Shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback.

8 The settlements of fund obligation for Equity Shares shall be effected as per the SEBI circulars and as prescribed by BSE and Clearing Corporation from time to time.

9 In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.

10 The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.

11 Eligible Shareholders who intend to participate in the Buyback should consult their respective Seller Member for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Seller Member upon the Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Seller, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company, Manager to the Buyback and Registrar to the Buyback accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Sellers.

12 The Equity Shares lying to the credit of the Special Demat Account will be extinguished in the manner as prescribed in the Buyback Regulations.

27. **Rejection Criteria**

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

a) the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or

b) If there is a name mismatch in the dematerialised account of the Shareholder and PAN.

21. NOTE ON TAXATION

The summary of the tax considerations in this section are based on the current provisions of the tax laws of India and the regulations thereunder, the judicial and the administrative interpretations thereof for the buyback of equity shares of listed companies for which public announcement was made on or before 5th July, 2019 pursuant to The Taxation Laws(Amendment) Act, 2019 .

Since the Public Announcement of the Buyback was made on July 5, 2019, the provisions of section 115QA is not applicable to the Company and the Company is not liable to pay tax on the Buy-back and the shareholders would be liable for the same.

In view of the above and the particularised nature of tax consequences, shareholders are required to

consult their tax advisors for the applicable tax provisions including the treatment that may be given by their respective tax officers in their case, and the appropriate course of action that they should take.

The Company does not accept any responsibility for the accuracy or otherwise of such advice. Therefore, shareholders cannot rely on this advice and the summary of tax implications relating to the treatment of income tax in the case of buy-back of listed equity shares on the stock exchange set out below should be treated as indicative and for guidance purposes only.

1. GENERAL

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

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. In case of shares of a company, the source of income from shares would depend on the 'situs' of the shares. As per ITA and Judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Taxation Avoidance Agreement ("**DTAA**") subject to satisfaction of the relevant conditions and documentary compliance requirements prescribed under the ITA.

The ITA also provides for different tax regimes / rates applicable to the gains arising on buy-back of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary of tax implications on buy-back of equity shares listed on the stock exchanges in India is set out below.

All references to equity shares in this note refer to equity shares listed on the stock exchanges in India unless stated otherwise.

2. CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

A) Resident Shareholders being:

• Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)

• Others:

- Company
- Other than Company

B) Non-Resident Shareholders being:

• Non-Resident Indians (NRIs)

• Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)

• Others:

- Company
- Other than Company

3. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

A. Shares held as investment (Income from transfer taxable under the head "Capital Gains")
B. Shares held as stock-in-trade (Income from transfer taxable under the head "Profits and Gains of Business or Profession", hereinafter referred to as "Business Income")

Gains arising from the transfer of shares may be treated either as "capital gains" or as "business income" for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade).

Further, investments by FII / FPI in any securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be treated as capital asset and the transfer of such shares would be treated as "capital gains" under the provisions of the Income Tax Act.

A. SHARES HELD AS INVESTMENT

i. As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head "Capital Gains". Capital Gains on Buy-back of shares are governed by the provisions of Section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per provisions of computation of Capital Gain contained in Section 48 of the Income Tax Act

ii. **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' as stated below:

- In respect of equity shares held for a period of less than or equal to 12 months prior to the date of transfer, the same shall be treated as a 'short-term capital asset', and the gains arising therefrom shall be taxable as 'short term capital gains ("**STCG**").
- Similarly, where equity shares are held for a period of more than 12 months prior to the date of transfer, the same shall be treated as a 'long-term capital asset', and the gains arising therefrom shall be taxable as 'long-term capital gains' ("**LTCG**").

iii. **Buy-back of shares through a recognized stock exchange**

Where transaction for transfer of such equity shares (i.e. buy-back) is executed through a recognized stock exchange, shareholders are liable to Securities Transaction Tax ('STT'). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the recognized stock exchanges in India. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security:

The taxability of buyback proceeds in the hands of the eligible shareholder should be as under:

<u>Long Term Capital Gains</u>

- As per the provisions of the Income Tax Act as amended by the Finance Act, 2018, the exemption to LTCG provided u/s. 10(38) of Income Tax Act has been withdrawn and tax is levied under section 112A on LTCG exceeding ₹1 Lac in a financial year arising on transfer of listed equity shares @ 10% without allowing the benefit of indexation subject to the condition that Securities Transaction Tax (STT) has been paid on acquisition and transfer of such equity shares.

- To provide benefit to shareholders for gains accrued on such equity shares up to January 31, 2018, it has been prescribed that the cost of acquisition in respect of such equity shares which would be transferred on or after April 1, 2018 shall be higher of:
  i) the actual cost of acquisition of such equity shares acquired before February 1, 2018 or

  ii) the lower of

  a) the highest price of such equity shares quoted on the recognised stock exchange on the January 31,2018; or

  b) the actual sale value of such equity shares.

- Further, as per the Notification no. 60/2018 dated: 01/10/2018, an exemption from the requirement of STT being paid at the time of acquisition of shares, is provided for certain modes of acquisition including acquisition of shares by a non-resident under the FDI policy. If acquisition is made in such specified modes, the tax on LTCG would be governed by section 112A.

- If taxability of LTCG is not governed by section 112A by virtue of STT not having being paid at the time of acquisition of the shares being bought back, entire LTCG arising to the shareholder shall be subject to tax @ 10% under Section 112 of the IT Act (or 20% after claiming indexation). Benefit of indexation is available only for resident shareholders. Non-residents are not entitled for indexation benefit wherein capital gain is computed in foreign currency as per first proviso to section 48.

- In case of FII's, LTCG on transfer of equity shares will be taxable @10% (benefit of indexation not available) under section 115AD. However, in respect of long-term capital gains covered by section 112A, 10% tax shall apply on such income exceeding the threshold of Rs. 1,00,000.

Short Term Capital Gains

- STCG arising from such transaction would be subject to tax @ 15% under Section 111A of the Income Tax Act.

iv. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such Capital Gain taxable under the Income Tax Act. In such cases, where the total income as reduced by such capital gain is below the maximum amount not chargeable to tax, then such capital gain shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income tax and on the balance of capital gain, if any, income tax is charged. In addition to the above tax, Surcharge and Health and education cess are leviable (Please refer to paragraph 5 below for rate of surcharge and cess).

v. Further, in case of Eligible Shareholders being companies as defined under the Income Tax Act, the tax provisions of minimum alternate tax on book profits as provided u/s. 115JB of the Income Tax Act need to be considered depending on their income and losses, etc. for the year, where applicable.

vi. Non-resident shareholders can avail beneficial provisions of the applicable DTAA, if any, entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/maintaining necessary documents prescribed under the Income Tax Act.

B. SHARES HELD AS STOCK-IN-TRADE

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head "Profits and Gains of Business or Profession". In such a case, the provisions of Section 46A and Section 48 of the Income Tax Act will not apply.

i. Resident Shareholders

a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.

b) Domestic company having turnover or gross receipts not exceeding Rs. 400 Crore in the previous year 2017-18 would be taxable @ 25%.

c) Domestic company which has exercised option given u/s 115BAA would be taxable @ 22%.

d) For persons other than stated in (a), (b) and (c) above, profits would be taxable @ 30% or other applicable tax rate.

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

ii. Non-Resident Shareholders

a) Non-resident shareholders can avail beneficial provisions of the applicable DTAA, if any, entered into by India with relevant shareholder country but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.
b) Where DTAA provisions are not applicable:

- For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates.

- For foreign companies, profits would be taxed in India @ 40%.

- For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, Surcharge and Health and education cess are leviable (Please refer to paragraph 5 below for rate of surcharge and cess).

In addition to above, in case of shareholder being company, the provisions of minimum alternate tax on book profits as provided u/s. 115JB of the ITA need to be considered depending on their income and losses etc. for the year, where applicable.

4. TAX DEDUCTION AT SOURCE

A) In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax at source on the consideration payable to resident shareholders pursuant to the Buy-back.

B) In case of Non-resident Shareholders

Since the Buy-back is undertaken through the stock exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the Non-Resident Shareholder. It is therefore important for the

Non-Resident Shareholders to appropriately compute such gains (if any) on this transaction and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians/authorized dealers/ tax advisors appropriately.

The non-resident shareholders undertake to indemnify the Company, if any tax demand is raised on the Company on account of gains arising to the non-resident shareholders on buy-back of Equity Shares by the Company. The non-resident shareholders also undertake to provide the Company, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buy-back of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

5. RATE OF SURCHARGE AND CESS

In addition to the basic Tax rate, Surcharge and Health and education cess are leviable as under:

A) Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the taxable income exceeds Rs.10 crores and @ 7% where the taxable income exceeds Rs.1 crore but does not exceed Rs.10 crores and @ 10% in case of companies which have opted for benefit u/s 115BAA.

- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the taxable income exceeds Rs.10 crores and @ 2% where the taxable income exceeds Rs.1 crore but does not exceed Rs.10 crores.

- In case of individual, HUF, AOP, BOI having capital gains u/s 111A or 112A or 115AD(1)(b) :
  Surcharge @15% is leviable where the taxable income exceeds Rs. 1crore and @ 10% where the taxable income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore.

- In case of individual, HUF, AOP, BOI having any income other than income u/s 111A or 112A or 115AD(1)(b) :
  Surcharge @ 37 % is leviable where the taxable income exceeds Rs. 5 Crores, Surcharge @ 25% is leviable where the taxable income exceeds Rs. 2 Crores but does not exceed Rs. 5 Crores, Surcharge @15% is leviable where the taxable income exceeds Rs. 1 crore but does not exceed 2 Crore and surcharge @ 10% is leviable where the taxable income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore.

- In case of Firm, Local Authority: Surcharge @12% is leviable where the taxable income exceeds Rs. 1 crore.

B) Cess

Health and Education Cess levied @ 4% of income tax and surcharge.

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete/exhaustive analysis or listing of all potential tax consequences on the disposal of equity shares under the Buy-back. 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, Eligible Shareholders should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.

22. DECLARATION FROM THE BOARD OF DIRECTORS

Declaration as required under clause (x) of Schedule I under Regulation 5(iv)(b) of the Buyback Regulations:

The Board made the aforementioned declaration as on the date of passing the Board resolution approving the Buyback i.e. July 3, 2019, as reproduced below:

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

I. That immediately following the date of Board Meeting held on July 3, 2019, there will be no grounds on which the Company can be found unable to pay its debts.

II. That as regards the Company's prospects for the year immediately following the Board Meeting held on July 3, 2019 approving the Buyback is passed, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buyback is passed; and

III. In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Act and the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities).

Sd/-	Sd/-
Mr. Amit Bakshi Managing Director DIN: 01250925	Mr. Inderjeet Singh Negi Whole Time Director DIN: 01255388

23. AUDITOR'S CERTIFICATE

The text of the report dated July 3, 2019, from the Statutory Auditors of the Company, addressed to the Board is reproduced below:

Quote

REF: GJS/ELL/2019-20/02

To,

Board of Directors,
Eris Lifesciences Limited
8th Floor, Commerce House IV,
Prahladnagar,
Ahmedabad – 380 015

Dear Sir/ Madam,

Re: Statutory Auditor's Report in respect of proposed buyback of equity shares by Eris Lifesciences Limited (the "Company") in terms of Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("the Buyback Regulations")

1. This Report is issued in accordance with the terms of our engagement letter dated 15 June 2019.

2. The Board of Directors of the Company have approved a proposal for buyback of Equity Shares by the Company at its Meeting held on 3 July 2019, in pursuance of the provisions of Sections 68, 69 and 70 of the Companies Act, 2013, as amended (the "Act") and the Buyback Regulations.

3. We have been requested by the Management of the Company to provide a report on the accompanying "Statement of Permissible Capital Payment as at 31 March 2019 ('Annexure A') (hereinafter referred to as the "Statement"). This Statement has been prepared by the Management, which we have initialled for the purposes of identification only.

Management's Responsibility.

4. The preparation of the Statement in compliance with Section 68(2)(b) of the Act and the proviso to Regulation 5(i)(b) of the Buyback Regulations and compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

   In the absence of any definition of or guideline for "Insolvent" in the Buyback Regulations, the Company has considered a situation for not being able to continue as going concern (as mentioned in Standard on Auditing 570 (Revised) issued by the Institute of Chartered Accountants of India) for a period of one year from 3 July 2019 as "Insolvent".

Auditor's Responsibility:

5. Pursuant to the requirements of the Buyback Regulations, it is our responsibility to provide a reasonable assurance that:

i. we have inquired into the state of affairs of the Company in relation to the annual audited standalone and consolidated financial statements as at 31 March 2019;

ii. the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the annual audited standalone and consolidated financial statements as at 31 March 2019 in accordance with Section 68(2)(b) of the Act and the proviso to Regulation 5(i)(b) of the Buyback Regulations; and

iii. the Board of Directors of the Company, in their Meeting held on 3 July 2019 have formed the opinion as specified in Clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date with regard to the proposed buyback are declared.

6. The annual standalone and consolidated financial statements referred to in paragraph 5 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated 21 May 2019. We conducted our audit of the annual standalone and consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (the

"Guidance Note") and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Buyback.

Opinion

9. Based on inquiries conducted and our examination as above, we report that:

i. We have inquired into the state of affairs of the Company in relation to its annual audited standalone and consolidated financial statements as at and for the year ended 31 March 2019, which have been approved by the Board of Directors of the Company on 21 May 2019.

ii. The amount of permissible capital payment towards the proposed buy back of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68(2)(b) of the Act and the proviso to Regulation 5(i)(b) of the Buyback Regulations.

iii. The Board of Directors of the Company, at their meeting held on 3 July 2019 have formed their opinion as specified in clause (x) of Schedule I to the Buyback Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the date of passing the Board Resolution dated 3 July 2019.

Restriction on use

10. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company as mentioned in paragraph 2 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buyback to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) can be shared with the Merchant Bankers in connection with the proposed buyback of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the Buyback Regulations, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Sd/-
Gaurav J Shah
Partner
(Membership No. 35701)
UDIN:1935701AAAACI3798

Place: Ahmedabad
Date: 3 July 2019

Annexure A - Statement of Permissible Capital Payment

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with Section 68(2)(b) of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, based on annual audited standalone and consolidated financial statements as at and for the year ended March 31, 2019.

Rs in Millions

Particulars		**Standalone**	**Consolidated**
Paid up Equity Share Capital As on March 31,2019 (13,75,19,783 fully paid up Equity Shares of Re 1 each)	**(A)**	**137.52**	**137.52**
Free Reserves as on March 31,2019			
Securities Premium		13.49	13.49
Retained Earnings		11,390.11	11,335.22
General Reserve		7.00	7.00
Total Free Reserves	**(B)**	**11,410.60**	**11,355.71**
Total	**C= (A+B)**	**11,548.12**	**11,493.23**
Maximum amount permissible towards buy- back of equity shares in accordance with Section 68(2)(b) of the Companies Act,2013 and proviso to Regulation 5(i)(b) of the Buyback Regulations (10 % of Paid up equity capital and free reserves)	**C*10%**	**1,154.81**	**1.149.32**

Note: The amount of paid up equity share capital and free reserves as at March 31, 2019 have been extracted from the annual audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2019.

For Eris Lifesciences Limited
Sd/-
Sachin Shah
CFO

Place: Ahmedabad
Date: July 3, 2019

Unquote

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection during the Offer Period at the registered and corporate office of the Company at 8th Floor, Commerce House- IV, Prahladnagar, 100 Feet Road, Ahmedabad-380015, Gujarat, India on any working day (except Saturday, Sunday and Public Holidays) between 2:00 p.m. and 4:00 p.m.

a) Copy of the Certificate of Incorporation and the Memorandum and Articles of Association of Eris Lifesciences Limited;

b) Copy of the financial statements of Eris Lifesciences Limited for the years ended March 31, 2019, March 31, 2018 and March 31, 2017 and the unaudited limited review financial statements for the half year ended September 30, 2019;

c) Copy of the resolution passed by the Board of Directors at its meeting held on July 3, 2019 approving proposal for Buyback;

d) Copy of Certificate dated July 3, 2019 received from Deloitte Haskins & Sells LLP , in terms of clause (xi) of Part A to Schedule I of the Buyback Regulations;

e) Copy of Declaration of Solvency and an affidavit in form SH-9 as prescribed under section 68(6) of the Companies Act;

f) Copy of Escrow Agreement dated September 24, 2019 between Eris Lifesciences Limited, Axis Capital Limited and Escrow Agent;

g) Confirmation letter by the Escrow Agent dated September 24, 2019 that the Escrow Account has been opened and letter dated December 19, 2019 that escrow amount has been deposited;

h) Certificate dated July 3, 2019 received from M/s. Khandhar Mehta & Shah, Chartered Accountants, certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Regulations

i) Copy of Public Announcement published in the newspapers on July 5, 2019 regarding Buyback of Equity Shares; and

j) Copy of SEBI observation letter no. SEBI/HO/CFD/DCR1/OW/P/2019/033742/1 dated December 17, 2019.

25. DETAILS OF THE COMPLIANCE OFFICER

The Company has designated the following as the Compliance Officer for the Buyback:

Name	Mr. Milind Talegaonkar
Designation	Company Secretary
Address	8th Floor, Commerce House- IV, Prahladnagar, 100 Feet Road, Ahmedabad-380015, Gujarat, India.
Tel.	+91 79 3045 1111
Email id	complianceofficer@erislifesciences.com

In case of any clarifications or to address investor grievance, the Shareholders may contact the Compliance Officer on any working day (except Saturday, Sunday and Public Holidays) between 2:00 p.m. and 4:00 p.m.

26. REMEDIES AVAILABLE TO SHAREHOLDERS/ BENEFICIAL OWNERS

In case of any grievance relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit etc.) the investor can approach the Compliance Officer for redressal.

If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made there-under, or any regulation, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act.

The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies
ROC Bhavan , Opp Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013
Tel.: 079-27438531

27. DETAILS OF THE MANAGER TO THE BUYBACK

The Company has appointed the following as Manager to the Buyback:

Axis Capital Limited
1st Floor, Axis House, C-2 Wadia International Centre,
P.B. Marg, Worli, Mumbai - 400025
Tel.: +91 22 4325 2183
Fax: +91 22 4325 3000
Contact Person: Mr. Sagar Jatakiya
Email: ell.buyback2019@axiscap.in
Website: www.axiscapital.co.in
SEBI Registration Number: INM000012029

28. DECLARATION BY THE DIRECTORS

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accepts full responsibility for all the information contained in this Letter of Offer. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on July 3, 2019.

For and on behalf of all members of the Board of Directors of Eris Lifesciences Limited

Sd/-	Sd/-	Sd/-
Amit Bakshi **Managing Director** **DIN: 01250925**	**Inderjeet Singh Negi** **Wholetime Director** **DIN: 01255388**	**Milind Talegaonkar** **Company Secretary** **Membership No. A26493**

Date: December 19, 2019

Place: Ahmedabad

TENDER FORM

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

Bid Number:
Date:

BUYBACK OPENS ON	**Wednesday, January 1, 2020**	
BUYBACK CLOSES ON	**Tuesday, January 14, 2020**	
For Registrar		
Inward No.	**Date**	**Stamp**

Status (please tick appropriate box)					
	Individual		FII/FPI		Insurance Co
	Foreign Co		NRI/OCB		FVCI
	Body Corporate		Bank/FI		Pension/PF
	VCF		Partnership/LLP		Others (Specify)
India Tax Residency Status: Please tick appropriate box					
	Resident in India		Non-Resident in India		Resident of _____ (*shareholder to fill country of residence)*
Route of Investment (For NR Shareholders only)					
	Portfolio Investment Scheme		Foreign Investment Scheme		

To,
Link Intime India Private Ltd
(Unit - Eris Lifesciences Limited)
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Dear Sirs,

Sub: Letter of Offer dated December 19, 2019 to Buyback up to 1,739,130 Equity Shares of Eris Lifesciences Limited (the "Company") at a price of Rs. 575/- (Rupees Five Hundred Seventy Five Only) per Equity Share (the "Buyback Price") payable in cash

1. I / We (having read and understood the Letter of Offer issued by the Company) hereby tender / offer my / our Equity Shares in response to the Buyback on the terms and conditions set out below and in the Letter of Offer.
2. I / We authorize the Company to buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
3. I / We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
4. I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
5. I / We agree that the Company will pay the Buyback Price as per the Stock Exchange mechanism.
6. I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
7. Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (July 15, 2019)		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back (Including Additional Shares, if any)		

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buyback Entitlement. Number of Equity Shares validly tendered by any Eligible Shareholder up to the Buyback Entitlement of such Eligible Shareholder shall be accepted to the full extent. The Equity Shares tendered by any Eligible Shareholder over and above the Buyback Entitlement of such Eligible Shareholder shall be accepted in accordance with Paragraph 19 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of acceptance.

8. I / We agree to receive, at my own risk, the invalid / unaccepted Equity Shares under the Buyback Offer in the demat account from where I / We have tendered the Equity Shares in the Buyback.
9. I / We agree that the excess demat Equity Shares or unaccepted demat Shares, if any, tendered would be returned to the Selling Member by Clearing Corporation in payout.
10. Applicable for all Non-resident shareholders.
    - I / We undertake to pay income taxes in India on any income arising on such Buyback accordance with prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us.
    - I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("**RBI**") under Foreign Exchange Management Act, 1999, as amended (the "**FEMA Regulations**") and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.
11. I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, Buyback Regulations and any other applicable laws.

Tear along this line

ACKNOWLEDGMENT SLIP: ERIS LIFESCIENCES LIMITED – BUYBACK OFFER

(To be filled by the Equity Shareholder) (Subject to verification)

DP ID		Client ID	
Received from Mr./Ms./Mrs.			
Form of Acceptance-cum-Acknowledgement, Original TRS along with:			
No. of Equity Shares offered for Buyback (In Figures)		(in words)	
Please quote Client ID No. &DP ID No. for all future correspondence		Stamp of Broker	

12. Non-resident shareholders (including NRIs, OCBs and FIIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. "Eris Lifesciences Limited" and the price at which the Equity Shares are being transferred i.e. "Price determined in accordance with the Buyback Regulations" duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

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

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

14. Equity Shareholders Details:

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

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

INSTRUCTIONS

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

1. This Offer will open on Wednesday, January 1, 2020 and close on Tuesday, January 14, 2020
2. This Tender form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. Eligible Shareholders who desire to tender their equity shares under the Buyback would have to do so through their respective Selling Member by indicating the details of equity shares they intend to tender under the Buyback offer.
4. Eligible Shareholders may submit their duly filled Tender Form to the office of Registrar to the Buyback Offer (as mentioned in Paragraph 20 of the Letter of Offer) only post placing the bid via the Seller Member.
5. In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents:
   i. Approval from the appropriate authority for such merger;
   ii. The scheme of merger; and
   iii. The requisite form filed with MCA intimating the merger.
6. **The Buyback shall be rejected for shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of Shares in the special account of the Clearing Corporation or a non-receipt of valid bid in the exchange bidding system.**
7. The shares in the Offer shall be rejected if the tenderer is not an Eligible Shareholders of the Company as on the Record date, if there is a name mismatch in the demat account of the Eligible Shareholder.
8. The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback as may be decided by the Company / Registrar to the Buyback, in accordance with the Buyback Regulations.
9. Eligible Shareholders to whom the Offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
10. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
11. By agreeing to participate in the Buyback the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
12. In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the Buyback by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buyback
13. The Tender Form and TRS is not required to be submitted to the Company, Manager or the Registrar. After the receipt of the demat Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in demat form.

Tear along this line

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

Investor Service Centre: Eris Lifesciences Limited- Buyback offer

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India

Contact Person: Mr. Sumeet Deshpande

Tel: +91 22 4918 6200; **E-mail:** eris.buyback@linkintime.co.in

Website: www.linkintime.co.in **SEBI Registration Number:** INR000004058

CIN: U67190MH1999PTC118368