

DRAFT LETTER OF OFFER**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Letter of Offer is being sent to you, being an Eligible Shareholder of Ajanta Pharma Limited (the “Company”) as on the Record Date (as defined hereunder) in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager to the Buyback Offer i.e. IndusInd Bank Limited or the Registrar to the Buyback Offer i.e. Link Intime India Private Limited. Please refer to the section on ‘Definitions’ for the definition of the capitalized terms used herein.


<p align="center">AJANTA PHARMA LIMITED</p> <p>Registered & Corporate Office: ‘Ajanta House’, 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India CIN: L24230MH1979PLC022059 Contact Person: Mr. Gaurang Shah, Company Secretary Tel: +91 22 6606 1000 Fax: +91 22 6606 1200 Email: investor@grievance@ajantapharma.com Website: www.ajantapharma.com</p>	
<p>CASH OFFER FOR BUYBACK OF NOT EXCEEDING 7,69,230 (SEVEN LAKH SIXTY NINE THOUSAND TWO HUNDRED THIRTY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 2 EACH, REPRESENTING 0.87% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EXISTING SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE i.e. TUESDAY, FEBRUARY 12, 2019 ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” PROCESS AT A PRICE OF ₹ 1,300/- (RUPEES ONE THOUSAND THREE HUNDRED ONLY) PER EQUITY SHARE FOR AN AGGREGATE CONSIDERATION NOT EXCEEDING ₹ 100 CRORES (RUPEES ONE HUNDRED CRORES ONLY)</p> <ol style="list-style-type: none"> The Buyback is in accordance with the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014, as amended to the extent applicable and in accordance with Article 18 of the Articles of Association of the Company and in accordance with Regulation 4(iv)(a) and other applicable provisions contained in the Buyback Regulations and subject to such other approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities under applicable laws including but not limited to SEBI, the Stock Exchanges and Reserve Bank of India etc. The Buyback Offer Size which is not exceeding ₹ 100 Crores (Rupees One Hundred Crores only) represents 5.22% and 4.96% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018, respectively (i.e. the last audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per audited financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013. The Letter of Offer is sent to the Eligible Shareholders as on the Record Date i.e. Tuesday, February 12, 2019. The procedure for acceptance is set out in paragraph 20 (<i>Procedure for Tender Offer and Settlement</i>) on page 32, of this Draft Letter of Offer. The Tender Form is enclosed together with this Draft Letter of Offer. For mode of payment of cash consideration to the Eligible Shareholders, please refer to paragraph 20.29 (<i>Method of Settlement</i>) on page 39 of this Draft Letter of Offer. A copy of the Public Announcement, this Draft Letter of Offer and the Letter of Offer (including Tender Form) is expected to be available on the website of SEBI - http://www.sebi.gov.in. Eligible Shareholders are advised to refer to paragraph 17 (<i>Details of Statutory Approvals</i>) on page 27 of this Draft Letter of Offer and paragraph 21 (<i>Note on Taxation</i>) on page 40 of this Draft Letter of Offer before tendering their Equity Shares in the Buyback. 	
<p align="center">BUYBACK PROGRAMME</p> <p align="center">BUYBACK OPENS ON: [●], 2019 BUYBACK CLOSES ON: [●], 2019 (LAST DATE/TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR: [●], 2019, BY [●] P.M.</p>	
<p align="center">MANAGER TO THE BUYBACK OFFER</p> <p>IndusInd Bank INDUSIND BANK LIMITED 11th Floor, One India Bulls Centre, Tower 1, 841 Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013 Contact Person: Mr. Rahul Joshi Tel: +91 (22) 7143 2208 Fax: +91 (22) 7143 2270 Email: investmentbanking@indusind.com Website: www.indusind.com SEBI Registration Number.: INM000005031 Validity Period: Permanent CIN: L65191PN1994PLC076333</p>	<p align="center">REGISTRAR TO THE BUYBACK OFFER</p> <p>LINKIntime 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 Fax: +91 22 4918 6195 E-mail: ajantapharma.buyback@linkintime.co.in Website: www.linkintime.co.in SEBI Registration Number: INR000004058; Validity Period: Permanent CIN: U67190MH1999PTC118368</p>

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1. SCHEDULE OF THE ACTIVITIES FOR THE BUYBACK OFFER

Activity	Date	Day
Date of Board Meeting approving the proposal for the Buyback	January 30, 2019	Wednesday
Date of Public Announcement for Buyback	January 31, 2019	Thursday
Date of publication of the Public Announcement for the Buyback	February 1, 2019	Friday
Record Date for determining the Buyback Entitlement and the names of Eligible Shareholders	February 12, 2019	Tuesday
Date of Opening of the Buyback Offer	[•]	[•]
Date of Closing of the Buyback Offer	[•]	[•]
Last date of receipt of the completed Tender Forms and other specified documents including physical Equity Share certificates by the Registrar	[•]	[•]
Last date of verification of Tender Forms by the Registrar	[•]	[•]
Last date of intimation regarding acceptance / non- acceptance of tendered Equity Shares to the Stock Exchange by the Registrar	[•]	[•]
Last date of settlement of bids on the Stock Exchange	[•]	[•]
Last date of dispatch of share certificate(s) by Registrar/ payment to shareholders/ return of unaccepted demat shares by Stock Exchange to Eligible Shareholders	[•]	[•]
Last date of extinguishment of Equity Shares bought back	[•]	[•]

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

2. DEFINITION OF KEY TERMS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified 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.

The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, 2013, the Depositories Act, and the rules and regulations made thereunder.

Term	Description
Acceptance	Acceptance of Equity Shares, tendered by Eligible Shareholders in the Buyback Offer
Acquisition Window	The facility for acquisition of Equity Shares through the mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circulars
Additional Shares / Additional Equity Shares	Additional Equity Shares tendered by an Eligible Shareholder over and above the Buyback Entitlement of such Equity Shareholder upto the Eligible Equity Shares
Articles/ AOA	Articles of Association of the Company
Board Meeting	Meeting of the Board of Directors held on January 30, 2019 approving the proposal for the Buyback Offer
Board/ Board of Directors/ Director(s)	Board of Directors of the Company (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorized 'Committee' thereof)
BSE	BSE Limited
Buyback/ Buyback Offer/ Offer/ Buyback Offer Size	Buyback of not exceeding 7,69,230 (Seven Lakh Sixty Nine Thousand Two Hundred Thirty) Equity Shares at a price of ₹ 1,300 (Rupees One Thousand Three Hundred only) per Equity Share for an aggregate consideration not exceeding ₹ 100 crores (Rupees One Hundred Crores only), on a proportionate basis, from the Eligible Shareholders, as on Record Date by way of a tender offer through the stock exchange mechanism in terms of the Buyback Regulations read with SEBI Circulars
Buyback Committee/Committee	The Buyback Committee of the Board, constituted and authorized for the purposes of the Buyback by way of a resolution of the Board dated January 30, 2019

Term	Description
Buyback Entitlement	The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buyback Offer, based on the number of Equity Shares held by such Eligible Shareholder on the Record Date and the ratio/percentage of Buyback applicable in the category to which such Eligible Shareholder belongs
Buyback Closing Date	[●], 2019
Buyback Opening Date	[●], 2019
Buyback Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clearing Corporation / ICCL	Indian Clearing Corporation Limited
Company/APL/ “we”	Ajanta Pharma Limited, unless the context states otherwise
Companies Act, 1956	The Companies Act, 1956, as amended (to the extent applicable)
Companies Act, 2013	The Companies Act, 2013, as amended
Company’s Broker	Way2Wealth Brokers Private Limited
Depositories	Collectively, NSDL and CDSL
Designated Stock Exchange	The designated stock exchange for the Buyback, being, BSE
DIN	Director Identification Number
Draft Letter of Offer/ Offer Document/ DLoF	This Letter of Offer dated February 4, 2019 filed with SEBI through the Manager to the Buyback Offer, containing disclosures in relation to the Buyback as specified in Schedule III of the Buyback Regulations
DP	Depository Participant
DTAA	Double Taxation Avoidance Agreement
Eligible Equity Shares	Eligible Equity Shares means the lower of: (i) Total number of Equity Shares held by an Eligible Shareholder as on the Record Date; or (ii) Total number of Equity Shares tendered by an Eligible Shareholder.
Equity Shares/ Shares	Fully paid-up equity shares of face value ₹ 2 each of the Company
Equity Shareholders/ Shareholders	Holders of the Equity Shares of the Company and includes beneficial owner(s) thereof
Eligible Shareholder(s)	All shareholders / beneficial owner(s) of Equity Shares of the Company as on Record Date i.e. Tuesday, February 12, 2019.
Escrow Account	The escrow account titled “[●]” opened with the Escrow Agent in terms of the Escrow Agreement
Escrow Agent	[●]
Escrow Agreement	The escrow agreement dated [●] entered into between the Company, Escrow Agent and the IndusInd Bank Limited
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended
FII(s)	Foreign Institutional Investor(s)
FPI(s)	Foreign Portfolio Investor(s)
Form / Tender Form	Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders to participate in the Buyback
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year
GoI	Government of India
HUF	Hindu Undivided Family
Income Tax Act	The Income Tax Act, 1961, as amended
Letter of Offer	Letter of Offer dated [●] 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
LTCG	Long-term Capital Gains
Ltd.	Limited
Manager / Manager to the Buyback Offer	IndusInd Bank Limited
Non-Resident Shareholders	Includes Non-Resident persons and bodies corporate, Non-Resident Indians (NRI), FII(s), FPI(s) and erstwhile OCBs
NRE	Non Residents External
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited

Term	Description
OCB	Overseas Corporate Bodies
Offer Period / Tendering Period	Period of 10 working days from the date of opening of the Buyback Offer till its closure (both days inclusive)
Offer Price / Buyback Offer Price/ Buyback Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share, payable in cash
PAN	Permanent Account Number
Promoter/ Promoter Group	Promoter and promoter group as have been 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
Public Announcement / PA	The public announcement, made in accordance with the Buyback Regulations, dated January 31, 2019, published in Business Standard (English – All Editions), Business Standard (Hindi – All editions) and Mumbai Lakshadeep (Marathi – Mumbai Edition) being regional language daily on February 1, 2019
Ratio of Buyback	The ratio of the Buy-back: (i) in case of Small Shareholders, [●] Equity Shares for every [●] Equity Shares held by such Small Shareholder on the Record Date; and (ii) for Eligible Shareholders other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares held by such Eligible Shareholder on the Record Date
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 and Tender Form will be sent and who are eligible to participate in the Buyback Offer in accordance with Buyback Regulations. This date shall be Tuesday, February 12, 2019
Registrar to the Buyback Offer/ Registrar	Link Intime India Private Limited
SEBI	Securities and Exchange Board of India
SEBI Circulars	Tendering of Equity Shares by Shareholders and settlement of the same, through the stock exchange mechanism as specified by SEBI in the circular bearing number CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Shareholder Broker	A stock broker (who is a member of the BSE and/or NSE) of an Eligible Shareholder, through whom the Eligible Shareholder wants to participate in the Buyback
Small Shareholder	As defined under Regulation 2(i)(n) of the Buyback Regulations and in relation to the Buyback means an Eligible Shareholder, who holds Equity Shares of market value not more than two lakh rupees, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date i.e. Tuesday, February 12, 2019
STCG	Short-term Capital Gains
Stock Exchanges	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed
Tender Form	Form of Acceptance-cum-Acknowledgement
Tender Offer	Method of buyback as defined in Regulation 2(i)(q) of the Buyback Regulations
TRS	Transaction Registration Slip generated by the exchange bidding system
Working Day	Working day shall have the meaning ascribed to it under the Buyback Regulations

3. DISCLAIMER CLAUSE

As required, a copy of this Draft Letter of Offer has been submitted to Securities and Exchange Board of India (SEBI). It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not, in any way be deemed or 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 this Draft Letter of Offer. The Manager to the Buyback Offer, IndusInd Bank Limited has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, 2013 and the Buyback Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity 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 this Draft Letter of Offer, the Manager to the Buyback Offer 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 Offer, IndusInd Bank Limited has furnished to SEBI a due diligence certificate dated February 4, 2019 in accordance with Buyback Regulations which reads as follows:

“We have examined various documents and materials contained in the annexure to the Letter of Offer, as part of the due-diligence carried out by us in connection with the finalization of the Public Announcement dated January 31, 2019 and the Letter of Offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- *The Public Announcement and the Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback offer.*
- *All the legal requirements connected with the said Buyback offer including Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, have been duly complied with.*
- *The disclosures in the Public Announcement and the Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Eligible Shareholders of the Company to make a well informed decision in respect of the captioned Buyback Offer.*
- *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, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

Promoters of the Company/ Board of Directors declare and confirm that no information/ material may likely to have a bearing on the decision of Eligible Shareholders has been suppressed/ withheld and/ or incorporated in the manner that would amount to mis-statement/ misrepresentation 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/ mis-representation, the Promoters of the Company/ Board of Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, 2013, Buyback Regulations and other applicable laws and regulations.

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

Disclaimer for U.S. Persons:

The information contained in this Draft Letter of Offer is exclusively intended for persons who are not US Persons as such term is defined in Regulations of the US Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Draft 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 or in any other 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. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

Disclaimer for Persons in other foreign countries:

This Draft 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. Potential users of the information contained in this Draft

Letter of Offer are requested to inform themselves about and to observe any such restrictions. Any Equity Shareholder who tenders his, her or its Equity Shares in the Buy-back shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buy-back.

Forward Looking Statement:

This Draft 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 THE 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 Wednesday, January 30, 2019. The extracts of the minutes of the Board Meeting are as follows:

“RESOLVED THAT pursuant to the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013 as amended (the **“Companies Act”**), and in accordance with Article 18 of the Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014 (the **“Share Capital Rules”**) to the extent applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the **“SEBI Listing Regulations”**) and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the **“Buyback Regulations”**), and any statutory modification(s) or re-enactment thereof, for the time being in force and, subject to such other approvals, permissions and sanctions of Securities and Exchange Board of India (**“SEBI”**), Registrar of Companies, Maharashtra at Mumbai (the **“ROC”**), Stock Exchanges and/ or other authorities, institutions or bodies (the **“Appropriate Authorities”**), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the **“Board”** which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buy back by the Company of its fully paid-up equity shares of ₹ 2/- each not exceeding 7,69,230 (Seven Lakh Sixty Nine Thousand Two Hundred Thirty) equity shares (representing 0.87% of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per equity share (the **“Buyback Offer Price”**) payable in cash for an aggregate consideration not exceeding ₹ 100 Crores (Rupees One Hundred Crores only) (the **“Buyback Offer Size”**) being 5.22% and 4.96% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March 2018, respectively and is within the statutory limits of 10% (Ten Percent) of the aggregate of the fully paid-up equity share capital and free reserves under the Board of Directors approval route as per the provisions of the Companies Act from the equity shareholders of the Company, as on the record date, on a proportionate basis, through the **Tender Offer** route as prescribed under the Buyback Regulations (hereinafter referred to as the **“Buyback”**);

RESOLVED FURTHER THAT the Buyback Offer 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, advisors fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses;

RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the “Streamlining the Process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buy Back and Delisting of Securities” as prescribed under the SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 or such other mechanism as may be applicable;

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding of 25% as specified in Regulation 38 of the SEBI Listing Regulations, as amended;

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

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

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

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

RESOLVED FURTHER THAT Company has complied and shall continue to comply with Section 70 of the Companies Act, 2013 wherein:

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

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

- a) all equity shares of the Company are fully paid up;
- b) the Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- c) the Company shall not issue and allot any shares or other specified securities including by way of bonus, till the date of closure of this Buyback;
- d) the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations.
- e) the Company shall not buy back its equity shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- f) that the aggregate consideration for Buyback not exceeding ₹ 100 Crores (Rupees One Hundred Crores only), does not exceed 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company for the financial year ended 31st March 2018, respectively (the last audited financial statements available as on the date of the Board meeting);

- g) that the maximum number of equity shares proposed to be purchased under the Buyback i.e. 7,69,230 (Seven Lakh Sixty Nine Thousand Two Hundred Thirty) equity shares, does not exceed 25% of the total number of equity shares in the paid-up share capital of the Company;
- h) the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves on consolidated basis after the Buyback as prescribed under the Companies Act, 2013 and rules made thereunder and Buyback Regulations;
- i) there is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Companies Act, 2013, as on date.

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

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

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

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

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

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

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

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

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

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

- a) appointment of brokers, registrar to the buyback, advertising agency, escrow bank, compliance officer and other advisors, consultants or representatives;
- b) finalizing the terms of buyback like the mechanism for the buyback, record date, entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the buyback;
- c) to enter into escrow arrangements as may be required in terms of the Buyback Regulations;
- d) opening, operation and closure of all necessary accounts, including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing persons to operate the said accounts;
- e) preparation, signing and filing of public announcement, the draft letter of offer/ letter of offer and any other material in relation with the Buyback with the SEBI, ROC, the stock exchanges and other Appropriate Authority;
- f) making all applications to the Appropriate Authority for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
- g) extinguishment of dematerialized shares and physical destruction of share certificates and filing of certificate of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/ or the Board, as required under applicable law;
- h) appoint any intermediaries / agencies / persons as may be required for the purposes of the Buyback and decide and settle 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;
- i) to affix the Common Seal of the Company on relevant documents required to be executed for the buyback of shares in accordance with the provisions of the Articles of Association of the Company.
- j) sign, execute and deliver such other documents, deeds and writings and to do all such acts, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other Appropriate Authorities.
- k) obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law.
- l) making all applications to the appropriate authorities for their requisite approvals, dealing with stock exchanges (including their clearing corporations), where the equity shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016.
- m) to delegate all or any of the authorities conferred on them to any Director(s)/ Officer(s)/ Authorized Signatory(ies)/ Representative(ies) of the Company.
- n) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback.
- o) to settle and resolve any queries or difficulties raised by SEBI, stock exchanges, ROC and any other authorities whatsoever in connection to any matter incidental to and ancillary to the Buyback.
- p) to do all such acts, deeds, matters and things as they may deem fit/proper/necessary/expedient for the purpose of giving effect to this resolution for and on behalf of the Company.

RESOLVED FURTHER THAT the quorum for any meeting of the Buyback Committee for implementing the Buyback shall be any two members;

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

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

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

RESOLVED FURTHER THAT any of the Directors of the Company and /or the Company Secretary for the time being, be and are hereby severally authorized to file necessary e-forms with the Registrar of Companies, Maharashtra at Mumbai and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

5. DETAILS OF PUBLIC ANNOUNCEMENT

In accordance with the Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated January 31, 2019 in relation to the Buyback which was published on February 1, 2019 in the following newspapers:

Publication	Language	Editions
Business Standard	English	All
Business Standard	Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai

The Public Announcement was issued within two working days from the date of the passing of the resolution in the meeting of Board of Director for the Buyback i.e., January 30, 2019.

A copy of the Public Announcement is available on the Company’s website i.e. www.ajantapharma.com, the SEBI website at www.sebi.gov.in and the website of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com.

6. DETAILS OF THE BUYBACK

The Board of Directors of Ajanta Pharma Limited on January 30, 2019 passed a resolution to buyback Equity Shares of the Company not exceeding 7,69,230 (Seven Lakh Sixty Nine Thousand Two Hundred Thirty) fully paid-up Equity Shares of face value ₹ 2 each from all the existing shareholders / beneficial owners of Equity Shares of the Company as on Record Date, on a proportionate basis, through the “**Tender Offer**” process, at a price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share payable in cash, for an aggregate consideration not exceeding of ₹ 100 Crores (Rupees One Hundred Crores only).

The Buyback is in accordance with the provisions of Article 18 of the Articles of Association of the Company, Section 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013, as amended, the Companies (Share Capital and Debentures) Rules, 2014 (the “**Share Capital Rules**”) and the provisions contained in the Buyback Regulations.

The Buyback is subject to approvals as may be necessary, from time to time from statutory authorities including but not limited to SEBI, BSE and NSE.

The Buyback Offer Size which is not exceeding ₹ 100 Crores (Rupees One Hundred Crores only) represents 5.22% and 4.96% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018, respectively (i.e. the last audited financial statements available as on the date of the Board Meeting approving the Buyback) and is within the statutory limits of 10% of the aggregate of the fully paid-up equity share capital and free reserves as per audited financial statements of the Company under the Board of Directors approval route as per the provisions of the Companies Act, 2013.

The maximum amount required by the Company for the said Buyback will not exceed ₹ 100 Crores (Rupees One Hundred Crores only) and is within permitted limits.

Further, under the Companies Act and the Buyback Regulations, the number of Equity Shares that can be bought back in any financial year shall not exceed 25% of the total paid-up equity capital of the Company in that financial year. The maximum number of Equity Shares proposed to be bought back represents 0.87% of the total number of Equity Shares in the issued, subscribed and paid-up equity share capital of the Company and the same is within the aforesaid 25% limit.

The funds for the Buyback will be met out of internally generated cash resources of the Company. 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 the details of such transfer shall be disclosed in its subsequent audited balance sheet. The Company confirms that as required under Section 68(2)(d) of the Companies Act, 2013 and Regulation 4(ii) of Buyback Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up capital and free reserves after the Buyback.

The Buyback shall be undertaken on a proportionate basis from all the Equity Shareholders of the Company as on Record Date through the “**Tender Offer**” process, as prescribed under Regulation 4(iv)(a) of the Buyback Regulations. Additionally, the Buyback shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Shareholders and settlement of the same, through the stock exchange mechanism as specified in SEBI Circulars.

The Buyback Offer Size does not include any other expenses incurred or to be incurred for the Buyback like SEBI filing fees, Stock Exchanges fees, advisors fees, Public Announcement publication expenses, printing & dispatch expenses and other incidental & related expenses.

6.1 Shareholding of promoters and members of the Promoter Group

The aggregate shareholding of the promoters and members of the promoter group (collectively referred to as the “**Promoters and Promoter Group**”) and persons who are in control of the Company; directors of the promoter and member of promoter group, where such promoter or member of promoter group is a company; and the Directors and Key Managerial Personnel of the Company as on the date of the Board Meeting i.e. Wednesday, January 30, 2019 is given below:

i. Shareholding of the Promoters and Promoter Group and person in control of the Company:

S. No.	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage (%) of issued Equity Share capital
1.	Yogesh Agrawal, trustee Yogesh Agrawal Trust	1,27,49,999	1,27,49,999	14.49
2.	Rajesh Agrawal, trustee Rajesh Agrawal Trust	1,27,49,999	1,27,49,999	14.49
3.	Aayush Agrawal, trustee Aayush Agrawal Trust	1,26,60,000	1,26,60,000	14.38
4.	Ravi Agrawal, trustee Ravi Agrawal Trust	1,26,59,999	1,26,59,999	14.38
5.	Gabs Investments Private Limited	83,92,262	83,92,262	9.53
6.	Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal	24,37,500	24,37,500	2.77
7.	Ravi Agrawal	1,90,000	1,90,000	0.22
8.	Mannalal Agrawal, trustee Mannalal Agrawal Trust	1,70,000	1,70,000	0.19
9.	Aayush Agrawal	20,000	20,000	0.02
	Total	6,20,29,759	6,20,29,759	70.47

ii. Shareholding of directors of the Promoters and Promoter Group entity (i.e. Gabs Investment Private

Limited (“GIPL”) in the Company:

S. No.	Name	Designation in GIPL	No. of Equity Shares held in the Company	Percentage (%) of issued Equity Share capital
1.	Yogesh Agrawal	Director	1,36,64,062 ⁽¹⁾	15.52
2.	Rajesh Agrawal	Director	1,36,64,061 ⁽²⁾	15.52
3.	Ravi Agrawal	Director	1,34,59,374 ⁽³⁾	15.29
4.	Aayush Agrawal	Director	1,26,80,000 ⁽⁴⁾	14.41
	Total		5,34,67,497	60.74

(1): 1,27,49,999 Equity Shares held in capacity as trustee of Yogesh Agrawal Trust and 9,14,063 Equity Shares as partner of Ganga Exports, where the partner's share being 37.5%.

(2): 1,27,49,999 Equity Shares held in capacity as trustee of Rajesh Agrawal Trust and 9,14,062 Equity Shares as partner of Ganga Exports, where the partner's share being 37.5%.

(3): 1,26,59,999 Equity Shares held in capacity as trustee of Ravi Agrawal Trust, 1,90,000 Equity Shares held in individual name in the Company and 6,09,375 Equity Shares as partner of Ganga Exports, where the partners' share being 25.0%.

(4): 1,26,60,000 Equity Shares held in capacity as trustee of Aayush Agrawal Trust and 20,000 Equity Shares held in individual name in the Company.

Apart from the above, no other director of the companies forming part of the Promoters and Promoter Group as disclosed in 6.1(i) above, hold Equity Shares in the Company.

iii. Shareholding of the Directors and Key Managerial Personnel of the Company:

S. No.	Name	Designation	No. of Equity Shares held	Percentage of issued Equity Share capital
1.	Yogesh Agrawal	Managing Director	1,36,64,062 ⁽¹⁾	15.52
2.	Rajesh Agrawal	Joint Managing Director	1,36,64,061 ⁽²⁾	15.52
3.	Mannalal Agrawal	Chairman	1,70,000 ⁽³⁾	0.19
4.	Arvind Agrawal	Chief Financial Officer	27,000	0.03
5.	Gaurang Shah	Company Secretary	500	Negligible
6.	Prabhakar Dalal	Independent Director	350	Negligible
	Total		2,75,25,973	31.26

(1): 1,27,49,999 Equity Shares held in capacity as trustee of Yogesh Agrawal Trust and 9,14,063 Equity Shares as partner of Ganga Exports, where the partners' share being 37.5%.

(2): 1,27,49,999 Equity Shares held in capacity as trustee of Rajesh Agrawal Trust and 9,14,062 Equity Shares as partner of Ganga Exports, where the partners' share being 37.5%.

(3): Equity Shares held in capacity as trustee of Mannalal Agrawal Trust.

Apart from the above, none of the Directors or Key Managerial Personnel of the Company hold any Equity Shares in the Company.

No Equity Shares or other specified securities in the Company have been either purchased or sold by Promoters and Promoter Group and persons who are in control of the Company; directors of the promoter and member of promoter group, where such promoter or member of promoter group is a company; and the Directors and Key Managerial Personnel of the Company during a period of six months preceding the date of the Board Meeting at which the Buyback was approved.

6.2 Intention of the Promoters and Promoter Group to participate in the Buyback:

In terms of the Buyback Regulations, under the Tender Offer process, the promoter and members of the promoter group of the Company has the option to participate in the Buyback. In this regard, certain members of the Promoters and Promoter Group as listed in paragraph 6.1(i) above have expressed their intention, vide their letters, each dated January 30, 2019 to participate in the Buyback and tender up to an aggregate maximum number of 88,80,450 (Eighty Eight Lakh Eighty Thousand Four Hundred Fifty) Equity Shares or such lower number of Equity Shares as required in compliance with Buyback Regulations.

The maximum number of Equity Shares that the Promoters and Promoter Group may tender are given in the below table:

S. No.	Name of shareholder	No. of Equity Shares held	Maximum number of Equity Shares intended to tender
1.	Yogesh Agrawal, trustee Yogesh Agrawal Trust	1,27,49,999	12,75,000
2.	Rajesh Agrawal, trustee Rajesh Agrawal Trust	1,27,49,999	12,75,000
3.	Aayush Agrawal, trustee Aayush Agrawal Trust	1,26,60,000	21,52,200
4.	Ravi Agrawal, trustee Ravi Agrawal Trust	1,26,59,999	17,40,750
5.	Gabs Investments Private Limited	83,92,262	NIL
6.	Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal	24,37,500	24,37,500
7.	Ravi Agrawal	1,90,000	NIL
8.	Mannalal Agrawal, trustee Mannalal Agrawal Trust	1,70,000	NIL
9.	Aayush Agrawal	20,000	NIL
	Total	6,20,29,759	88,80,450

6.3 Shareholding of the Promoters & Promoter Group post-Buyback and compliance thereof with SEBI Listing Regulations:

- Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the Promoters and Promoter Group in the Company may increase or decrease marginally from the existing 70.47 % holding in the total paid-up equity share capital of the Company as on date of the Board Meeting i.e. January 30, 2019. The Promoters and Promoter Group of the Company are already in control over the Company and therefore such increase/decrease in voting rights of the Promoters and Promoter Group will not result in any change in control over the Company. For details with respect to shareholding of the Promoters & Promoter Group post Buyback, please refer to paragraph 13 of this Draft Letter of Offer.
- After the completion of the Buyback, the shareholding of the Equity Shareholders other than the Promoters & Promoter Group shall not fall below the minimum level as required under Regulation 38 of the SEBI Listing Regulations.

7. AUTHORITY FOR THE BUYBACK

The Buyback is in accordance with the provisions of Article 18 of the Articles of Association of the Company, Section 68, 69, 70 and all other applicable provisions if any, of the Companies Act, 2013 as amended, the Companies (Share Capital and Debenture) Rules, 2014 and the provisions contained in the Buyback Regulations.

The Buyback is subject to approvals as may be necessary, from time to time from statutory authorities including but not limited to SEBI, BSE and NSE.

The Board of Directors at their meeting on January 30, 2019 passed a resolution approving buyback of Equity Shares of the Company.

8. NECESSITY OF THE BUYBACK

The Buyback is the acquisition by a company of its own shares. Buyback is an efficient form of returning surplus cash, which are over and above its ordinary capital requirements and in excess of any current investment plans, to the members holding equity shares of the Company, in an expedient, efficient and cost effective manner. Additionally, the Company's management strives to increase the Shareholders' value and the Buyback would result in following:

- The Buyback would help in improving earnings per share, return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- The Buyback will help in achieving optimal capital structure;
- The Buyback will help the Company to distribute surplus cash to the Shareholders broadly in proportion to their shareholding, thereby, enhancing their overall return;
- The Buyback, which is being implemented through the tender offer route as prescribed under the 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 Buyback Regulations;

- v. The Buyback gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without any additional investment.

After considering the above mentioned factors and benefits to the Equity Shareholders, the Board decided to recommend Buyback of not exceeding 7,69,230 (Seven Lakh Sixty Nine Thousand Two Hundred Thirty) Equity Shares (representing 0.87% of the total number of Equity Shares in the paid-up share capital of the Company) at a price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share for an aggregate consideration of not exceeding ₹ 100 Crores (Rupees One Hundred Crores only).

9. MANAGEMENT DISCUSSION AND ANALYSIS OF THE LIKELY IMPACT OF BUYBACK ON THE COMPANY

- 9.1 We believe the Buyback is not likely to cause any material impact on the profitability/ earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming there is full response to the Buyback to the extent of 100%, the funds deployed by the Company towards the Buyback would be ₹ 100 Crores (Rupees One Hundred Crores only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, etc.). This shall impact the investment income earned by the Company, on account of reduced amount of funds available for investments.
- 9.2 We believe the Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations. The Buyback is expected to contribute to the overall enhancement of shareholder value and result in an increase in the return on equity of the Company.
- 9.3 In terms of the Buyback Regulations, under the Tender Offer process, the promoter and promoter group of the Company has the option to participate in the Buyback. In this regards, certain members of the Promoters and Promoter Group as listed in paragraph 6.1(i) have expressed their intention, vide their letters, each dated January 30, 2019 to participate in the Buyback and tender up to an aggregate maximum number of 88,80,450 (Eighty Eight Lakh Eighty Thousand Four Hundred Fifty) Equity Shares or such lower number of Equity Shares as required in compliance with Buyback Regulations. The maximum number of Equity Shares that the Promoters and Promoter Group may tender are given in the below table:

S. No.	Name of shareholder	No. of Equity Shares held	Maximum number of Equity Shares intended to tender
1.	Yogesh Agrawal, trustee Yogesh Agrawal Trust	1,27,49,999	12,75,000
2.	Rajesh Agrawal, trustee Rajesh Agrawal Turst	1,27,49,999	12,75,000
3.	Aayush Agrawal, trustee Aayush Agrawal Trust	1,26,60,000	21,52,200
4.	Ravi Agrawal, trustee Ravi Agrawal Trust	1,26,59,999	17,40,750
5.	Gabs Investments Private Limited	83,92,262	NIL
6.	Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal	24,37,500	24,37,500
7.	Ravi Agrawal	1,90,000	NIL
8.	Mannalal Agrawal, trustee Mannalal Agrawal Trust	1,70,000	NIL
9.	Aayush Agrawal	20,000	NIL
	Total	6,20,29,759	88,80,450

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

- 9.4 Since the entire shareholding of the Promoters & the Promoter Group who intends to participate in the Buyback is in demat mode, the details of the date and price of acquisition/ sale of entire Equity Shares that the participating Promoters and Promoter Group has acquired/sold till date as per the information provided by the Promoters and Promoters Group, each vide its letter dated January 30, 2019, are set-out below:

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration	Nature of Transaction/Consideration
Yogesh Agrawal, trustee Yogesh Agrawal Trust			
March 23, 2017	1,27,49,999	Gift	Inter-se transfer of Equity Shares from Vimal Mannalal Agrawal
Total	1,27,49,999		
Rajesh Agrawal, trustee Rajesh Agrawal Trust			
March 22, 2017	1,27,49,999	Gift	Inter-se transfer of Equity Shares from Mannalal Agrawal
Total	1,27,49,999		
Aayush Agrawal, trustee Aayush Agrawal Trust			
March 27, 2017	1,26,60,000	Gift	Inter-se transfer of Equity Shares from Purushottam Agrawal
Total	1,26,60,000		
Ravi Agrawal, trustee Ravi Agrawal Trust			
March 24, 2017	1,26,59,999	Gift	Inter-se transfer of Equity Shares from Madhusudan Agrawal
Total	1,26,59,999		
Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal			
March 31, 2006	6,85,000	NIL	Inter-se transfer of Equity Shares from Vimal M. Agrawal, Samata P. Agrawal and Mamta M. Agrawal
August 10, 2012	13,70,000	Split of Equity Shares from face value of ₹10 to ₹5	
September 19, 2013	20,55,000	NIL	Bonus issue of Equity Shares in the ratio of 1:2
March 23, 2015	51,37,500	Split of Equity Shares from face value of ₹5 to ₹2	
July 10, 2017	(2,15,000)	₹ 33.33 crores	Market sale
July 11, 2017	(24,85,000)	₹ 372.77 crores	Market sale
Total	24,37,500		

- 9.5 Assuming that certain members of the Promoters & Promoter Group as referred in paragraph 6.1(i) of this Letter of Offer, tenders 88,80,450 (Eighty Eight Lakh Eight Thousand Four Hundred Fifty) Equity Shares in the Buyback (in accordance with the declaration provided by them) and if
- All the public Shareholders participate upto their entitlement (full acceptance), then the aggregate shareholding of the Promoter, post Buyback will increase from [●]% (i.e. as on Record Date) to [●]% and the aggregate shareholding of the public in the Company shall decrease from [●]% to [●]% of the post Buyback equity share capital of the Company; or
 - None of the public shareholders participate, then the aggregate shareholding of the Promoter, post Buyback will decrease from [●]% (i.e. as on Record Date) to [●]% and the aggregate shareholding of the public in the Company shall increase from [●]% (i.e. as on Record Date) to [●]% of the post Buyback equity share capital of the Company.
- 9.6 Consequent to the Buyback and based on the number of Equity Shares bought back from the Non-Resident Shareholders, FIIs, FPIs, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding pattern of the Company would undergo a change. The FIIs/ FPIs are advised to ensure that their investment in the Company continue to be within the limit prescribed under applicable laws, post completion of the Buyback.
- 9.7 In furtherance to the Regulations 24(i)(e) of the Buyback Regulations, the Promoters and Promoter Group and their associates have undertaken to not deal in Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions, including inter-se transfer

of Equity Shares among themselves from the date of Board approving the Buyback until the completion of the Buyback.

- 9.8 The debt-equity ratio post Buyback will be compliant with the permissible limit of 2:1 prescribed by Section 68 of the Companies Act and Regulation 4(ii) of the Buyback Regulations, even if the response to the Buyback is to the extent of 100% (full acceptance).
- 9.9 In compliance with regulation 24(i)(b) of the Buyback Regulations the Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback.
- 9.10 The Company shall not raise further capital for a period of one year from the closure of Buyback Offer except in discharge of its subsisting obligations.
- 9.11 Salient financial parameters consequent to the Buyback based on the audited standalone and consolidated financial statements as on March 31, 2018 of the Company are as under:

Parameters	Standalone		Consolidated	
	Pre-Buyback	Post-Buyback*	Pre-Buyback	Post-Buyback*
Net worth (₹ in Crores)	1,931.50	1,831.50	2,041.37	1,941.37
Return on Net worth (%)	22.13%	23.34%	22.96%	24.14%
Basic Earnings Per Share (₹) (of ₹ 2 each)	48.59	49.01	53.26	53.72
Book Value per Share (₹)	219.45	209.93	231.94	222.52
Price earning ratio	28.61	28.37	26.10	25.88
Total Debt/ Equity Ratio	0.00	0.00	0.00	0.00

* Assuming full acceptance of Equity Shares in the Buyback offer in the ratio of Buyback

Note:

1. Net worth = Equity Capital + Other Equity – Miscellaneous Expenditure.
2. Total Debt = Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings.

The key ratios have been computed as below:

Key Ratios basis:

Basic Earnings per Share (₹)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Capital + Other Equity) / Number of Equity Shares subscribed and paid up
Return on Networth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	Total Debt/ Net Worth
P/E ratio	Closing price on NSE as on March 28, 2018* (i.e. ₹ 1,390.35) / Earnings per share

*Last trading day in Financial Year 2018

10. BASIS OF CALCULATING BUYBACK PRICE

- 10.1 The Buyback price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed, the net-worth of the Company and the impact of the Buyback on the key financial ratios of the Company.
- 10.2 The Buyback Offer Price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share represents
- i. premium of 16.51% on BSE and 16.45% on NSE over the volume weighted average price of the Equity Shares on BSE and NSE respectively for 3 months preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback;
 - ii. premium of 12.25% on BSE and 12.23% on NSE over the volume weighted average price of the equity Shares on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback;

iii. premium of 15.31% on BSE and 15.37% on NSE over the closing market price of the Equity Shares on BSE and NSE as on the date of the intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback.

- 10.3 For trends in the market price of the Equity Shares, please refer to paragraph 16 (Stock Market Data) of this Draft Letter of Offer.
- 10.4 The closing market price of the Equity Shares as on the date of intimation to the BSE and NSE for the Board Meeting for considering the Buyback i.e. January 25, 2019, was ₹ 1,127.35 and ₹ 1,126.85 respectively.
- 10.5 The book value of the Company pre-Buyback as on March 31, 2018 was ₹ 219.45 and ₹ 231.94 on standalone and consolidated basis respectively which will decrease to ₹ 209.93 and ₹ 222.52 on standalone and consolidated basis respectively post Buyback Offer based on the assumption mentioned in notes to table on salient financial parameters in paragraph 9.11 of this Draft Letter of Offer.
- 10.6 The earning per share of the Company pre-Buyback as on March 31, 2018 was ₹ 48.59 and ₹ 53.26 on standalone and consolidated basis respectively which will increase to ₹ 49.01 and ₹ 53.72 on standalone and consolidated basis respectively post Buyback based on the assumption of full acceptance of the Buyback and subject to the notes mentioned to table on salient financial parameters in paragraph 9.11 of this Draft Letter of Offer.
- 10.7 The Return of Net-worth of the Company pre Buyback as on March 31, 2018 was 22.13% and 22.96% on standalone and consolidated basis which will increase to 23.34% and 24.14% on standalone and consolidated basis respectively post Buyback based on the assumption of full acceptance of the Buyback and subject to the notes mentioned to table on salient financial parameters in paragraph 9.11 of this Draft Letter of Offer.

11. SOURCES OF FUNDS FOR THE BUYBACK

- 11.1 Assuming full acceptance, the funds that would be employed by the Company for the purpose of the Buyback of 7,69,230 (Seven Lakh Sixty Nine Thousand Two Hundred Thirty) Equity Shares at a price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share would be ₹ 100 Crores (Rupees One Hundred Crores only) (excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods & service tax, stamp duty, etc.).
- 11.2 The Buyback shall be made out of the free reserves of the Company as at March 31, 2018 (i.e. the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). 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 the details of such transfer shall be disclosed in its subsequent audited balance sheet.
- 11.3 The funds for the Buyback will be met out of internally generated cash resources of the Company. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Accordingly, borrowed funds will not be used for the Buyback. However, if required, the Company may borrow funds in the ordinary course of its business.
- 11.4 This Buyback is not likely to cause any material impact on the earnings of the Company, except for the cost of financing the Buyback, being a reduction in the treasury income that the Company could have otherwise earned on the funds deployed.

12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT TO BE DEPOSITED THEREIN

- 12.1 In accordance with Regulation 9(xi) of the Buyback Regulations, an Escrow Agreement will be entered into amongst the Company, the Manager to the Buyback and the Escrow Agent on [●].
- 12.2 In accordance with the Buyback Regulations, the Company proposed to open an Escrow Account in the name and style "[●]" bearing account number [●] with the Escrow Agent, namely, [●] having its registered office situated at [●]. The Company will deposit ₹ [●] in the Escrow Account, in terms of the Buyback Regulations. The Manager to the Buyback will be empowered to operate the Escrow Account in accordance with the Buyback Regulations.

- 12.3 **Nandkishore & Co, Chartered Accountants** (Firm Reg. No. 139699W), 701/A, Kavyaa Heights, Bhageeshree Park, Shiv Sena Lane, Bhayandar (West) - 401101, Contact Person: CA Nandkishore Agarwal (Membership No. 159232), Mobile no.: +91 9022549855 have certified, vide their certificate dated January 31, 2019 that the Company has adequate financial resources for fulfilling all obligations under the Buyback Offer.
- 12.4 Based on the above certificate, the Manager to the Buyback Offer has satisfied itself about the ability of the Company to implement the Buyback Offer in accordance with the Buyback Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- 13.1 The present capital structure of the Company, is as follows:

Particulars	Aggregate value at face value (₹ in crore)
Authorised share capital	
15,00,00,000 Equity Shares of ₹ 2 each	30.00
Issued share capital	
8,87,89,500 Equity Shares of ₹ 2 each, fully paid up	17.76
Subscribed and paid up share capital	
8,80,23,000 Equity Shares of ₹ 2 each, fully paid up	17.60
Add : Shares Forfeited- Amount originally paid up	
(766,500) Equity Shares of ₹ 2 each, forfeited	0.09
Total paid up share capital before the Buyback	17.69
Total paid up share capital after the Buyback	
8,72,53,770 Equity Shares of ₹ 2 each, fully paid up	17.54*^

*Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback

^The amount includes ₹ 0.09 crores on account of forfeiture of equity shares

- 13.2 During the three (3) years preceding the date of the publication of Public Announcement (i.e. February 1, 2019), the Company has not undertaken any buyback programme.
- 13.3 As on the date of the publication of Public Announcement (i.e. February 1, 2019), there are no outstanding preference shares, partly paid-up Equity Shares or outstanding convertible instruments or calls in arrears.
- 13.4 The shareholding pattern of the Company pre-Buyback, as on record date i.e. Tuesday, February 12, 2019, as well as the post Buyback (assuming full acceptance of the Buyback) shareholding, is as shown below:

Particulars	Pre Buyback		Post Buyback*	
	No. of Equity Shares	% of the existing Equity Share Capital	No. of Equity Shares	% of the post Buyback Equity Share Capital
Promoters & Promoter Group	[●]	[●]	[●]	[●]
Foreign Investors (including Non Resident Indians, FIIs, FPIs and Foreign Mutual Funds)	[●]	[●]	[●]	[●]
Financial Institutions/ Banks/ Mutual Funds promoted by Banks/ Institutions	[●]	[●]		
Other (public, public bodies corporate etc.)	[●]	[●]		
Total	[●]	[●]	[●]	[●]

*Assuming full acceptance of Equity Shares in the Buyback Offer in the Ratio of Buyback

- 13.5 Assuming that certain members of the Promoters & Promoter Group as referred in paragraph 6.1(i) of this Letter of Offer, tenders 88,80,450 (Eighty Eight Lakh Eighty Thousand Four Hundred Fifty) Equity Shares in the Buyback (in accordance with the declaration provided by them), the aggregate shareholding of the Promoters and Promoter Group, post Buyback will increase to [●]% of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their

entitlement (full acceptance) and will reduce to [●]% of the post Buyback equity share capital of the Company if none of the public shareholders participate in the Buyback Offer.

- 13.6 Except as disclosed below, no Equity Shares have been purchased/ sold/ transferred by Promoters and Promoter Group and persons who are in control of the Company; directors of the promoter and member of promoter group, where such promoter or member of promoter group is a company; and the Directors and Key Managerial Personnel of the Company as disclosed in paragraph 6.1 of this Draft Letter of Offer during the period of twelve months preceding the date of publication of the Public Announcement (i.e. February 1, 2019).

Aggregate number of Equity Shares purchased or (sold)	Nature of Transaction	Maximum Price (₹)	Date of Maximum Price	Minimum Price (₹)	Date of Minimum Price
Mannalal Agrawal, trustee Mannalal Agrawal Trust					
1,70,000	Inter-se Transfer	Gift	March 28, 2018 ⁽¹⁾	Gift	March 28, 2018 ⁽¹⁾
Aayush Agrawal					
(1,70,000)	Inter-se Transfer	Gift	March 28, 2018 ⁽¹⁾	Gift	March 28, 2018 ⁽¹⁾
(6,09,375) ⁽²⁾	Inter-se Transfer	Gift	March 28, 2018 ⁽¹⁾	Gift	March 28, 2018 ⁽¹⁾
Ganga Exports being represented by Yogesh Agrawal, Rajesh Agrawal & Ravi Agrawal					
3,04,688 ⁽²⁾	Inter-se Transfer	Gift	March 28, 2018 ⁽¹⁾	Gift	March 28, 2018 ⁽¹⁾
3,04,687 ⁽²⁾	Inter-se Transfer	Gift	March 28, 2018 ⁽¹⁾	Gift	March 28, 2018 ⁽¹⁾
Yogesh Agrawal					
(1,00,000)	Sale	Gift	April 10, 2018	Gift	April 10, 2018
Rajesh Agrawal					
(1,00,000)	Sale	Gift	April 10, 2018	Gift	April 10, 2018

Notes:

(1): Date of Transaction

(2): Inter-se transfer on account of re-constitution of Ganga Exports, partnership firm

Subsequent to the date of Board Meeting, till the date of this Draft Letter of Offer, the Promoters & Promoter Group of the Company has not entered into any transactions in relation to the Equity Shares of the Company.

- 13.7 There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act, 2013.
- 13.8 The Company shall not issue any Equity Shares including by way of bonus, from the date of publication of the Public Announcement till the date of closure of this Buyback.

14. BRIEF INFORMATION ABOUT THE COMPANY

- 14.1 The Company was incorporated on December 31, 1979 as 'Ajanta Pharma Private Limited', a private limited company under the Companies Act, 1956, and subsequently upon conversion to a public limited company, the name was changed to 'Ajanta Pharma Limited' on August 11, 1986. The corporate identity number of the Company is L24230MH1979PLC022059.
- 14.2 The Company's registered and corporate office is situated at 'Ajanta House', 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India.
- 14.3 The Company is a specialty pharmaceutical formulation company engaged in the development, manufacture and marketing of qualified finished dosages. The Company is focused on the branded

generics market in India, Asia and Africa, generics market in USA besides Institutional segment in Africa. The Company has seven (7) manufacturing facilities in India and Mauritius of which two (2) facilities in India have been approved by US FDA. The Company also has a research and development centre for finished formulations and active pharmaceutical ingredient synthesis of different dosage forms.

- 14.4 The Equity Shares of the Company are listed on BSE and NSE since June 5, 2000 and May 29, 2000. The ISIN of the Equity Shares is INE031B01049.

Performance of the Company in brief:

- 14.5 For financial years ended March 31, 2018, March 31, 2017 and March 31, 2016, the Company recorded revenue from operations of ₹ 2,130.86 crore, ₹ 2,001.64 crore and ₹ 1,749.37 crore, respectively and profit after tax of ₹ 468.64 crore, ₹ 506.83 crore and ₹ 415.61 crore, respectively on consolidated basis. Further the Company recorded revenue of operations of ₹ 1,540.21 crore and profit after tax of ₹ 298.08 crore in nine months period ended December 31, 2018 on consolidated basis. For more details on the financial information of the Company, please refer to paragraph 15 of this Draft Letter of Offer.

- 14.6 Details of changes in share capital of the Company since incorporation are as follows:

Date of Issue/ Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Consideration in Cash/ other than cash	Cumulative No. of Equity Shares	Equity Share Capital (₹)	Cumulative Equity Share Capital (₹)	Reason for allotment
23.11.79	100	100	100	Cash	100	10,000	10,000	Subscribers to the Memorandum & Articles of Association
20.02.81	1,920	100	100	Cash	2,020	1,92,000	2,02,000	Promoters & Relatives
10.03.81	2,980	100	100	Cash	5,000	2,98,000	5,00,000	Promoters & Relatives
25.02.82	7,000	100	100	Cash	12,000	7,00,000	12,00,000	Promoters & Relatives
03.03.83	7,250	100	100	Cash	19,250	7,25,000	19,25,000	Promoters & Relatives
05.03.85	5,600	100	100	Cash	24,850	5,60,000	24,85,000	Promoters & Relatives
18.02.86	100	100	100	Cash	24,950	10,000	24,95,000	Promoters & Relatives
07.07.86	2,49,500	10	-	N.A.	2,49,500	24,95,000	24,95,000	Sub-division of face value from ₹ 100/- to ₹10/-
08.06.92	11,20,500	10	10	Cash	13,70,000	1,12,05,000	1,37,00,000	Promoters & Relatives
12.06.92	12,33,000	10	-	N.A.	26,03,000	1,23,30,000	2,60,30,000	Bonus in ratio of 9:10
29.03.94	31,25,000	10	-	Other than cash	57,28,000	3,12,50,000	5,72,80,000	Amalgamation ⁽¹⁾
27.07.95	2,26,000	10	100	Cash	59,54,000	22,60,000	5,95,40,000	Promoters & Relatives
26.03.96	46,000	10	100	Cash	60,00,000	4,60,000	6,00,00,000	Friends & Relatives
16.05.97	9,52,381	10	52.5	Cash	69,52,381	95,23,810	6,95,23,810	Lloyds Finance Limited
16.05.97	3,23,810	10	52.5	Cash	72,76,191	32,38,100	7,27,61,910	Friends & Relatives
29.08.97	5,00,000	10	60	Cash	77,76,191	50,00,000	7,77,61,910	Unit Trust of India (A/c. VECAUS - I)
18.12.97	9,81,000	10	68	Cash	87,57,191	98,10,000	8,75,71,910	TCWI/ICICI India Pvt Equity Fund
31.03.98	49,050	10	68	Cash	88,06,241	4,90,500	8,80,62,410	ICICI Private Equity Investments
20.04.00	30,55,559	10	225	Cash	1,18,61,800	3,05,55,590	11,86,18,000	Public Issue & Firm allotment

Date of Issue/ Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Consideration in Cash/ other than cash	Cumulative No. of Equity Shares	Equity Share Capital (₹)	Cumulative Equity Share Capital (₹)	Reason for allotment
21.08.03	(1,53,300)	10	-	N.A.	1,17,08,500	(15,33,000)	11,70,85,000	Forfeiture of shares
10.08.12	117,08,500	5	-	N.A.	2,34,17,000	5,85,42,500	11,70,85,000	Sub-division of face value from ₹10/- to ₹5/-
30.04.13	16,800	5	5	Cash	2,34,33,800	84,000	11,71,69,000	ESOP allotment
19.09.13	117,16,900	5	-	N.A.	3,51,50,700	5,85,84,500	17,57,53,500	Bonus in ratio of 1:2
05.05.14	26,700	5	5	Cash	3,51,77,400	1,33,500	17,58,87,000	ESOP allotment
23.03.15	527,66,100	2	-	N.A.	8,79,43,500	10,55,32,200	17,58,87,000	Sub-division of face value from ₹5/- to ₹2/-
08.05.15	57,750	2	2	Cash	8,80,01,250	115,500	17,60,02,500	ESOP allotment
06.05.16	3,750	2	2	Cash	8,80,05,000	7,500	17,60,10,000	ESOP allotment
09.05.17	1,000	2	2	Cash	8,80,06,000	2,000	17,60,12,000	ESOP allotment
22.08.17	8,500	2	2	Cash	8,80,14,500	17,000	17,60,29,000	ESOP allotment
11.05.18	1,000	2	2	Cash	8,80,15,500	2,000	17,60,31,000	ESOP allotment
14.09.18	7,500	2	2	Cash	8,80,23,000	15,000	17,60,46,000	ESOP allotment

Notes: (1): Equity Shares issued to shareholders of Ajanta Drugs and Pharmaceuticals P. Ltd. pursuant to amalgamation.

14.7 The Board of Directors of the Company as on the date of publication of Public Announcement (i.e. February 1, 2019) was as under:

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment/ Re-appointment	Other Directorships
1.	Mr. Mannalal Agrawal Qualification: B.com Occupation: Business Age: 71 Years DIN: 00073828	Chairman	December 31, 1979	NIL
2.	Mr. Madhusudan Agrawal Qualification: B.Sc. (Part One) Occupation: Business Age: 63 Years DIN: 00073872	Vice Chairman	December 31, 1979 / April 1, 2015	<ul style="list-style-type: none"> • Samta Mines and Minerals Limited • Inspira Infra (Aurangabad) Limited • Louroux Bio Energies Private Limited • Inspira Projects Limited • Lenexis Foodworks Private Limited • Agarwal Global Foundation
3.	Mr. Yogesh Agrawal Qualification: Business Management Graduate from USA Occupation: Business Age: 47 Years DIN: 00073673	Managing Director	April 29, 2000 / April 1, 2018	<ul style="list-style-type: none"> • Inspira Martifer Solar Limited • Gabs Investments Private Limited • Ajanta Pharma Mauritius Limited • Ajanta Pharma Mauritius International Limited • Ajanta Pharma Philippines Inc. • Ajanta Pharma USA Inc. • Ajanta Pharma Nigeria Limited
4.	Mr. Rajesh Agrawal Qualification: Degree Programme in Business	Joint Managing Director	April 30, 2013 / May 1, 2018	<ul style="list-style-type: none"> • Gabs Investments Private Limited • Ajanta Pharma Philippines

S. No.	Name, Qualification, Occupation, Age and DIN	Designation	Date of Appointment/ Re-appointment	Other Directorships
	Studies, MBA Occupation: Business Age: 42 Years DIN: 00302467			Inc. • Ajanta Pharma USA Inc.
5.	Mr. Chandrakant Khetan Qualification: B.Sc, B.E. (Electrical) Occupation: Business Age: 73 Years DIN: 00234118	Non-Executive Independent Director	October 20, 2008	<ul style="list-style-type: none"> • The Swastik Safe Deposit And Investments Ltd • Entremonde Polycoaters Limited • DGP Securities Limited • Omicron Power Engineers Private Limited • Karelides Traders Private Limited • Baroda Superstore Private Limited • Vibhuti Investments Company Limited
6.	Dr. Anil Bhubneshwar Kumar Qualification: MBBS, D. M. (Cardiology) Occupation: Doctor Age: 67 Years DIN: 00208833	Non-Executive Independent Director	June 28, 2003	NIL
7.	Mr. K. H. Viswanathan Qualification: B.Sc. Occupation: Retired Banker Age: 73 Years DIN: 06563472	Non-Executive Independent Director	April 30, 2013	NIL
8.	Mr. Prabhakar Dalal Qualification: M.Com, PGD (Securities Law), CAIIB, PGDFERM, FIIBF, LLB Occupation: Former Bank Executive Director & Corporate Independent Director Age: 66 Years DIN: 00544948	Non-Executive Independent Director	June 13, 2014	<ul style="list-style-type: none"> • Tema India Limited • Tab Capital Limited
9.	Dr. Anjana Grewal Qualification: Ph. D, MMS, B. Chem Engineering, UDCT, Certification in Financial Engineer Occupation: Professor Age: 65 Years DIN: 06896404	Non-Executive Independent Director	June 13, 2014	<ul style="list-style-type: none"> • Cheminova India Limited • Fino Finance Private Limited • Fino Paytech Limited

14.8 The details of changes in the Board of Directors during the last 3 years from the date of the publication of the Public Announcement (i.e. February 1, 2019) are as under:

S. No.	Name of Director, Designation & DIN	Date of Joining / Appointment	Date of Cessation	Reason
1.	Mr. Purushottam Agrawal Designation: Vice Chairman DIN: 00073680	December 31, 1979 / April 1, 2013	August 11, 2018	Resignation

- 14.9 The buyback will not result in any benefit to the Directors of the Company/ Promoters and Promoter Group and person in control of the Company/ group companies except to the extent of their intention to participate in the Buyback and actual participation in the Buyback and the change in their shareholding as per the response received in the Buyback, as a result of the extinguishment of Equity Shares which will lead to reduction in the Equity Share Capital post Buyback.

Except as stated below, no directors of the Company hold any Equity Shares as on the date of publication of the Public Announcement (i.e. February 1, 2019).

S. No.	Name	Designation	No. of Equity Shares held	Percentage (%) of issued Equity Capital
1.	Yogesh Agrawal	Managing Director	1,36,64,062 ⁽¹⁾	15.52
2.	Rajesh Agrawal	Joint Managing Director	1,36,64,061 ⁽²⁾	15.52
3.	Mannalal Agrawal	Chairman	1,70,000 ⁽³⁾	0.19
4.	Prabhakar Dalal	Independent Director	350	Negligible

(1): 1,27,49,999 Equity Shares held in capacity as trustee of Yogesh Agrawal Trust and 9,14,063 Equity Shares as partner of Ganga Exports, where the partners' share being 37.5%.

(2): 1,27,49,999 Equity Shares held in capacity as trustee of Rajesh Agrawal Trust and 9,14,062 Equity Shares as partner of Ganga Exports, where the partners' share being 37.5%.

(3): Equity Shares held in capacity as trustee of Mannalal Agrawal Trust

15. FINANCIAL INFORMATION ABOUT THE COMPANY

- 15.1 The salient financial information of the Company, as extracted from the audited standalone financial statements for years ended March 31, 2018, March 31, 2017 and March 31, 2016 and limited review financial results for nine months period ended December 31, 2018 is detailed below:

(₹ in Crore)				
Key Financials	For nine months period ended December 31, 2018*	For the year ended March 31, 2018*	For the year ended March 31, 2017*	For the year ended March 31, 2016*
	(Limited Review)	(Audited)	(Audited)	(Audited)
Revenue from Operations	1,359.09	1,830.45	1,822.71	1,573.60
Other Income	98.96	73.01	66.95	86.87
Total Income	1,458.05	1,903.46	1,889.66	1,660.47
Total Expenses (excluding finance cost & depreciation)	945.10	1,283.64	1,188.29	1,051.04
Finance Cost	0.21	0.24	1.24	4.19
Depreciation and amortization expenses	51.70	57.14	59.48	42.68
Exceptional Items: Expense / (Income)	-	-	-	-
Profit Before Tax	461.04	562.44	640.65	562.56
Tax Expenses	110.65	134.92	140.84	140.61
Profit/(Loss) discontinuing operation	-	-	-	-
Profit After Tax	350.39	427.52	499.81	421.95
Paid-up Equity Share Capital	17.69	17.69	17.69	17.69
Other Equity, excluding revaluation reserves & Misc. expenditures to the extent not written off	2,184.15	1,913.81	1,486.25	1,114.01
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	2,201.84	1,931.50	1,503.94	1,131.70
Total Debt	-	-	-	68.08

*All figures as per Ind AS

15.2 Financial Ratios on standalone basis are as under:

Particulars	For nine months period ended December 31, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Basic Earnings per Share (₹)	39.81	48.59	56.79	47.95
Diluted Earnings per Share (₹)	39.81	48.58	56.78	47.95
Debt/ Equity Ratio	0.00	0.00	0.00	0.06
Book Value (₹ per Share)	250.14	219.45	170.89	128.60
Return on Net worth (%)	15.91%	22.13%	33.23%	37.28%
Total Debt/ Net worth (%)	0.00%	0.00%	0.00%	6.02%

Key Ratios basis:

Net worth	Equity Capital + Other Equity – Miscellaneous Expenditure
Total Debt	Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings
Basic Earnings per Share (₹)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Diluted Earnings per Share (₹)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Equity Share Capital + Other Equity) / Number of Equity Shares subscribed and paid up
Return on Networth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	Total Debt/ Net Worth

15.3 The salient financial information of the Company, as extracted from the audited consolidated financial statements for years ended March 31, 2018, March 31, 2017 and March 31, 2016 and limited review financial results for nine months period ended December 31, 2018 is detailed below:

(₹ in Crore)

Key Financials	For nine months period ended December 31, 2018*	For the year ended March 31, 2018*	For the year ended March 31, 2017*	For the year ended March 31, 2016*
	(Limited Review)	(Audited)	(Audited)	(Audited)
Revenue from Operations	1,540.21	2,130.86	2,001.64	1,749.37
Other Income	19.45	24.16	23.86	21.15
Total Income	1,559.66	2,155.02	2,025.50	1,770.52
Total Expenses (excluding finance cost & depreciation)	1,100.86	1,472.48	1,314.76	1,612.31
Finance Cost	0.39	0.41	1.36	4.89
Depreciation and amortization expenses	53.33	59.59	61.21	44.43
Exceptional Items: Expense / (Income)	-	-	-	-
Profit Before Tax	405.08	622.55	648.17	558.89
Tax Expenses	107.00	153.91	141.34	143.28
Profit/(Loss) discontinuing operation	-	-	-	-
Profit After Tax	298.08	468.64	506.83	415.61
Paid-up Equity Share Capital	17.69	17.69	17.69	17.69
Other Equity, excluding revaluation reserves & Misc. expenditures to the extent not written off	2,239.52	2,023.68	1,550.00	1,173.17
Net worth, excluding revaluation reserves & Misc. expenditures to the extent not written off	2,257.21	2,041.37	1,567.69	1,190.86
Total Debt	30.76	1.80	1.28	81.35

**All figures as per Ind AS*

15.4 Financial Ratios on consolidated basis are as under:

Particulars	For nine months period ended December 31, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Basic Earnings per Share (₹)	33.87	53.26	57.59	47.23
Diluted Earnings per Share (₹)	33.86	53.25	57.58	47.23
Debt/ Equity Ratio	0.01	0.00	0.00	0.07
Book Value (₹ per Share)	256.43	231.94	178.14	134.15
Return on Net worth (%)	13.12%	22.96%	32.33%	34.90%
Total Debt/ Net worth (%)	1.36%	0.09%	0.08%	6.83%

Key Ratios basis:

Net worth	Equity Capital + Other Equity – Miscellaneous Expenditure
Total Debt	Long Term Borrowings + Short Term Borrowings + Current Maturities of Long Term Borrowings
Earnings per Share- Basic (₹)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Diluted Earnings per Share (₹)	Net profit attributable to the equity shareholders / Weighted average number of Shares outstanding during the year
Book Value per Share (₹)	(Paid up Equity Share Capital + Other Equity) / Number of Equity Shares subscribed and paid up
Return on Net worth excluding revaluation reserves (%)	Net Profit After Tax/ Net Worth excluding revaluation reserves
Debt- Equity Ratio	Total Debt/ Net Worth

15.5 The Company shall comply with the SEBI Takeover Regulations, as may be applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 of the Companies Act, 2013 and the rules made thereunder

16. STOCK MARKET DATA

16.1 The Company's Equity Shares are listed on BSE and NSE. The maximum volume of trading in the Equity Shares of the Company is recorded on NSE. The high, low and average market prices in preceding three financial years (April to March period) and the monthly high, low and average market prices for the six months preceding the date of publication of the Public Announcement (i.e. February 1, 2019) from August 2018 to January 2019 and the corresponding volumes on the BSE and NSE is as follows:

For NSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price (₹)*	Total volume of traded in the period (Shares)
Preceding 3 years								
FY2016	1,720.00	12-Aug-15	2,41,593	1,101.05	18-Jan-16	2,36,942	1,421.11	4,40,52,887
FY2017	2,125.00	4-Oct-16	2,63,052	1,349.25	5-Apr-16	1,95,967	1,747.32	3,77,99,973
FY2018	1,820.20	10-Apr-17	2,53,884	1,120.05	28-Sep-17	3,04,838	1,411.48	5,06,88,493
Preceding 6 months								
August 2018	1,290.45	31-Aug-18	7,32,774	1,125.60	1-Aug-18	3,80,963	1,191.60	84,87,806
September 2018	1,294.00	7-Sep-18	5,88,891	1,051.05	28-Sep-18	3,52,767	1,178.32	65,78,142
October 2018	1,084.00	31-Oct-18	7,82,629	940.50	24-Oct-18	3,64,409	1,015.51	65,09,467
November 2018	1,190.00	30-Nov-18	5,97,093	1,051.75	9-Nov-18	2,16,289	1,100.67	69,25,361
December 2018	1,204.45	31-Dec-18	2,88,410	1,002.90	11-Dec-18	3,76,262	1,117.51	65,58,597

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price (₹)*	Total volume of traded in the period (Shares)
January 2019	1,192.00	23-Jan-19	3,99,472	1,009.00	31-Jan-19	15,73,401	1,444.60	75,95,079

Source: www.nseindia.com

*High and Low price for the period are based on intra-day prices and Average Price is based on average of closing price.

For BSE:

Period	High* (₹)	Date of High	Number of Shares traded on that date	Low* (₹)	Date of Low	Number of shares traded on that date	Average Price (₹)*	Total volume of traded in the period (Shares)
Preceding 3 years								
FY2016	1,720.00	12-Aug-15	33,435	1,103.00	18-Jan-16	31,020	1,420.47	61,10,807
FY2017	2,150.00	28-Oct-16	17,846	1,350.50	5-Apr-16	18,359	1,746.04	42,48,296
FY2018	1,818.00	10-Apr-17	29,933	1,106.00	22-Aug-17	23,516	1,410.83	76,66,502
Preceding 6 months								
August 2018	1,290.00	31-Aug-18	36,649	1,125.30	1-Aug-18	29,319	1,191.04	6,19,366
September 2018	1,294.10	5-Sep-18	45,490	1,052.15	28-Sep-18	27,359	1,177.36	5,98,131
October 2018	1,083.00	31-Oct-18	65,938	941.60	24-Oct-18	30,667	1,015.30	5,58,190
November 2018	1,180.00	30-Nov-18	46,757	1,051.00	6-Nov-18	13,322	1,100.75	6,81,375
December 2018	1,204.25	31-Dec-18	20,043	980.90	11-Dec-18	31,855	1,117.79	5,18,950
January 2019	1,192.00	23-Jan-19	25,372	1,010.00	31-Jan-19	1,02,923	1,144.65	5,20,924

Source: www.bseindia.com

* High and Low price for the period are based on intra-day prices and Average Price is based on average of closing price.

16.2 The closing market price of the Equity Shares of the Company:

- As on January 29, 2019 i.e. the trading day before January 30, 2019, being the date of Board Meeting approving the Buyback was ₹ 1,093.70 per Equity Share on BSE and ₹ 1,090.80 per Equity Share on NSE.
- As on January 30, 2019, i.e. the date of Board Meeting approving the Buyback was ₹ 1,089.55 per Equity share on BSE and ₹ 1,088.85 per Equity share on NSE.
- As on January 31, 2019, i.e. the day immediately after January 30, 2019, being the date of Board Meeting approving the Buyback was ₹ 1,023.95 per Equity Share on BSE and ₹ 1,020.65 per Equity Share on NSE.
- As on February 1, 2019, i.e., the date of publication of Public Announcement issued was ₹ 982.40 per Equity Share on BSE and ₹ 982.80 per Equity Share on NSE.

17. DETAILS OF STATUTORY APPROVALS

- The Buyback Offer is subject to approval, if any required, under the provisions of the Companies Act, 2013, FEMA, the Buyback Regulations and/or such other applicable rules and regulations in force for the time being.
- Non-Resident Shareholders (excluding OCBs) permitted under the automatic process prescribed under applicable FEMA and the rules and regulations framed thereunder read with the consolidated Foreign Direct Investment policy issued by the Government of India, are not required to obtain approvals from

RBI, subject to the adherence to pricing guidelines, documentation and reporting requirements for such transfers as specified by RBI.

- 17.3 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 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
- 17.4 Erstwhile OCB are required to obtain specific prior approval from RBI for tendering Equity Shares in the Buyback Offer. The Company shall not accept Equity Shares from OCB Shareholders in respect of whom such RBI approval is required and copies of such approvals are not submitted.
- 17.5 As on date, there are no other statutory or regulatory approvals required to implement the Buyback Offer, 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.
- 17.6 The Buyback has been approved by the Board of Directors in their meeting held on January 30, 2019.

18. DETAILS OF REGISTRAR TO THE BUYBACK OFFER

Eligible Shareholders holding Shares in dematerialized form and Shareholder Brokers (who have submitted bids on behalf of Eligible Shareholders holding shares in physical form) are required to send the Tender Form, TRS, physical share certificate (for physical Shareholders only) and other documents by superscribing the envelope as “**Ajanta Pharma Limited - Buyback Offer 2019**” to the Registrar to the Buyback Offer either by registered post/courier or hand delivery at their below office, so that the same are received within 2 (two) days from the Buyback Closing Date i.e. [●] by 5:00 pm. The Company has appointed Link Intime India Private Limited as the Registrar to the Buyback. Their contact details are set forth below:

LINKIntime

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; **Fax:** +91 22 4918 6195;

E-mail: ajantapharma.buyback@linkintime.co.in;

Website: www.linkintime.co.in;

SEBI Registration Number: INR000004058; **Validity Period:** Permanent

Corporate Identity Number: U67190MH1999PTC118368

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

ELIGIBLE SHAREHOLDERS ARE ADVISED TO ENSURE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS ARE COMPLETE IN ALL RESPECTS; OTHERWISE THE SAME ARE LIABLE TO BE REJECTED.

19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- 19.1 The Company proposes to buyback not exceeding 7,69,230 (Seven Lakh Sixty Nine Thousand Two Hundred Thirty) Equity Shares from the Eligible Shareholders of the Company, on a proportionate basis, through the Tender Offer process at a price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share, payable in cash for an aggregate consideration not exceeding of ₹ 100 Crores (Rupees One Hundred Crores only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods & service tax, stamp duty, etc. The maximum number of Equity Shares proposed to be bought back represents 0.87% of the total number of Equity Shares in the paid-up share capital of the Company. The Buyback is in accordance with the provisions of Section 68, 69, 70 and all other applicable provisions, if any, of the Companies Act 2013 and rules made thereunder, in accordance with Article 18 of the Articles of Association of the Company and the 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. The Buyback Offer Size

represents 5.22% and 4.96% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2018, respectively (the last audited financial statements available as on the date of the Board Meeting approving the Buyback).

The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.

19.2 The aggregate shareholding of the Promoters and Promoter Group as on Record Date is [●] ([●]) Equity Shares, which represents [●] % ([●] percent) of the existing Equity Share capital of the Company. In terms of the Buyback Regulations, under the Tender Offer process, the promoter and the members of the promoter group of the company has the option to participate in the Buyback. In this regards, certain members of the Promoters and Promoter Group as listed in paragraph 6.1(i) of this Draft Letter of Offer have expressed their intention, vide their letters, each dated January 30, 2019 to participate in the Buyback and tender up to an aggregate maximum number of 88,80,450 (Eighty Eight Lakh Eighty Thousand Four Hundred Fifty) Equity Shares or such lower number of Equity Shares as required in compliance with Buyback Regulations.

19.3 Assuming that the above stated certain Promoters & Promoter Group, tenders 88,80,450 (Eighty Eight Lakh Eighty Thousand Four Hundred Fifty) Equity Shares, in the Buyback (in accordance with the declaration provided by them), the aggregate shareholding of the Promoters & Promoter Group, post Buyback will increase to [●]% of the post Buyback equity share capital of the Company, if all the public Shareholders participate upto their entitlement (full acceptance) and will reduce to [●]% of the post Buyback equity share capital of the Company if none of the public shareholders participate in the Buyback Offer.

19.4 Record Date, Ratio of the Buyback and entitlement of each Shareholder

- a) The Buyback Committee in its meeting held on January 30, 2019 announced Tuesday, February 12, 2019 as the Record Date for the purpose of determining the Buyback 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:
 - Reserved category for Small Shareholders (“**Reserved Category**”); and
 - General category for all Eligible Shareholders other than Small Shareholders (“**General Category**”)
- c) As defined in the Buyback Regulations, a “**Small Shareholder**” is a shareholder who holds Equity Shares having market value, on the basis of closing price on the stock exchanges in which the highest trading volume as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakh only). As on the Record Date, the volume of Shares traded on NSE was [●] shares and on BSE was [●] Shares. Accordingly, [●] being the exchange with highest turnover, the closing price was ₹[●] and hence all Shareholders holding not more than [●] 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 [●] Small Shareholders with aggregate shareholding of [●] Shares, as on Record Date, which constitutes [●]% of the outstanding paid up equity share capital of the Company and [●]% 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 [●] Equity Shares which is higher of:
 - i. Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of [●] Equity Shares which works out to [●] Equity Shares; or
 - ii. The number of Equity Shares entitled as per their shareholding as on Record Date [i.e. $([●]/[●]) \times [●]$] which works outs to [●] Equity Shares.

All the outstanding Equity Shares have been used for computing the entitlement of Small Shareholders since the Promoters and Promoter Group also intends to offer Equity Shares held by

them in the Buyback.

In case the total number of Equity Shares held by the Small Shareholders on the Record Date is [●], which is less than [●] (higher of (i) and (ii) above) the maximum number of Equity Shares reserved for Small Shareholders will be restricted to the total number of Equity Shares held by the Small Shareholders as on Record Date.

- f) Based on the above and in accordance with Regulation 6 of the Buyback Regulations, [●] Equity Shares will be reserved for Small Shareholders. Accordingly, General Category shall consist of [●] Equity Shares.
- g) Based on the above entitlements, the Ratio of Buyback for both categories is decided as below:

Category	Ratio of Buyback*
Reserved Category	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date
General Category	[●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date

**The above ratio of Buyback is approximate and provides indicative Buyback Entitlement. Any computation of the 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 [●]% and General Category for all other Eligible Shareholder is [●].%*

19.5 Fractional Entitlements

If the Buyback Entitlement, 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 (one) Equity Share) then the fractional entitlement shall be ignored for computation of Buyback Entitlement to tender Equity Shares in the Buyback Offer, for both categories of Eligible Shareholders.

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] 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. The Company shall make best efforts subject to Buyback Regulations in accepting Equity Shares tendered by such Eligible Shareholder to the extent possible and permissible.

19.6 Basis of Acceptance of Equity Shares validly tendered in the Reserved Category

Subject to the provisions contained in this Draft 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 (i.e. 100%) 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 19.6 (a) above, in case, there are any Shares left to be bought back from Small Shareholders 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 19.6 (a) and (b) above, 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 19.6 (b) above, shall be reduced by one.

- d) Adjustment for fractional results in case of proportionate acceptance, as described in paragraph 19.6 (c) above, will be made as follows:
- For any Small 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 Small 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.

19.7 Basis of Acceptance of Equity Shares validly tendered in the General Category

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

- a) Full Acceptance (i.e.100%) of Shares from Eligible 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 19.7 (a) above, 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 Eligible Shareholder shall be equal to the General Category Additional Shares validly tendered by the Eligible Shareholders 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 19.7 (b) above, will be made as follows:
- For any Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) 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 Eligible Shareholder, if the number of Additional Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.8 Basis of Acceptance of Shares between Categories

- a) After acceptances of tenders, as mentioned in 19.6 and 19.7 above, 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 the Further Additional Shares validly tendered by an Eligible 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 tendered Additional Shares shall be eligible for priority acceptance of one Equity Shares before acceptance in paragraph 19.8(a) above 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 19.6.
- c) Adjustment for fraction results in case of proportionate acceptance, as defined in paragraph 19.8(a) above:
- For any Eligible 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 Eligible 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.

19.9 For avoidance of doubt, it is clarified that the Shares accepted under the Buyback Offer from each Eligible Shareholder, in accordance with above clauses, shall be lower of the following:

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

19.10 For the avoidance of doubt, it is clarified that the Equity Shares tendered by any Eligible Shareholder over and above the number of Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with above clauses.

19.11 Clubbing of Entitlements

In order to ensure that the same shareholders with multiple demat accounts/ folios do not receive a higher entitlement under the Small Shareholder category, the Company will club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General Category) and the Buyback Entitlement. In case of joint shareholding, the Company will club together the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical. In case of shareholders holding Physical Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Company 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, pension funds/ trusts, insurance companies, foreign institutional investors/ foreign portfolio investors etc., with common PAN will not be clubbed together for determining the category 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 to the Buyback 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.

20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

20.1 The Buyback is open to all Eligible Shareholder(s) holding Shares either in physical and/or dematerialized form on the Record Date.

20.2 The Company proposes to effect the Buyback through Tender Offer process, on a proportionate basis. This Letter of Offer and Tender Form, outlining the terms of the Buyback Offer as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed to Eligible Shareholders whose names appear on the register of members of the Company, or who are beneficial owners of Equity Shares as per the records of Depositories, on the Record Date and who have their email IDs registered with the Company and for all remaining Eligible Shareholders who do not have their email IDs registered with the Company, the Letter of Offer along with Tender Form will be sent physically. However, on receipt of a request by the Registrar to the Buyback to receive a copy of Letter of Offer in physical format from such Eligible Shareholder to whom Letter of Offer and Tender Form were emailed, the same shall be sent physically.

20.3 The Company will not accept any Equity Shares offered for Buyback where there exists any restraint order of a Court for transfer / disposal/ sale or where loss of share certificates has been notified to the Company or where the title to the Equity Shares is under dispute or otherwise not clear or where any other restraint subsists.

20.4 The Company shall comply with Regulation 24(v) of the Buyback Regulations which states that the Company shall not buyback the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferrable.

20.5 Eligible Shareholders' participation in Buyback will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Shares accepted under the Buyback or they may choose not to

participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Shareholders may also tender a part of their Buyback Entitlement. Shareholders also have the option of tendering Additional Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 (*Process and Methodology for the Buyback*) of this Draft Letter of Offer.

- 20.6 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.
- 20.7 Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account. In case of any changes in the demat account in which the Equity Shares were held as on Record Date, such Eligible Shareholders should provide sufficient proof of the same to the Registrar, and such tendered shares may be accepted subject to appropriate verification and validation by the Registrar.
- 20.8 As elaborated under Paragraph 19.4(b) above, the Equity Shares proposed to be bought as a part of the Buyback is divided into two categories: (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Shareholders, and the Buyback Entitlement of an Eligible Shareholder in each category shall be calculated accordingly.
- 20.9 After accepting 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.
- 20.10 The Buyback shall be implemented by the Company using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, circular no. CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, Notice Number 20170202-34 dated February 02, 2017, from BSE and following the procedure prescribed in the Companies Act, 2013 and the Buyback Regulations and as may be determined by the Board (including the Committee authorized to complete the formalities of the Buyback) and on such terms and conditions as may be permitted by law from time to time.
- 20.11 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.
- 20.12 For implementation of the Buyback, the Company has appointed Way2Wealth Brokers Private Limited as the registered broker to the Company (the “**Company's 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:



WAY2WEALTH BROKERS PRIVATE LIMITED

3rd Floor, Hinson House, Tower – B, 247 Park, LBS road, Vikhroli (W), Mumbai - 400 083

Contact Person: Ms. Swapna Satam

Tel No.: 022-40278900 Ext. 580/180; **Fax No.:** 022-61462999;

Email: swapna.satam@way2wealth.com; **Website:** www.way2wealth.com

SEBI Registration Number: INZ000178638

Corporate Identity Number: U67120KA2000PTC027628

- 20.13 The Company will request BSE to provide a separate Acquisition Window to facilitate placing of sell orders by the Eligible Shareholders who wish to tender Equity Shares in the Buyback. BSE would be the Designated Stock Exchange for this Buyback Offer. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers (“**Shareholder Broker**”).
- 20.14 In the event Shareholder Broker(s) of Eligible Shareholder is not registered with BSE then that Eligible Shareholder can approach any BSE registered stock broker and can make a bid by using quick Unique Client Code (“**UCC**”) facility through that BSE registered stock broker after submitting the details as may be required by that stock broker to be in compliance with the SEBI regulations. In case Eligible

Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Eligible Shareholder may approach Company's Broker to bid by using quick UCC facility.

20.15 The Eligible Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

(a) In case of Eligible Shareholder being an Individual or HUF

(i) If Eligible Shareholder is registered with KYC Registration Agency ("KRA"):

A. Forms required:

- Central Know Your Client (CKYC) form
- Know Your Client (KYC) form

B. Documents required (all documents self-attested):

- Bank details (cancelled cheque) 36
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

(ii) If Eligible Shareholder is not registered with KRA:

A. Forms required:

- CKYC form
- KRA form
- KYC form

B. Documents required (all documents self-attested):

- PAN card copy
- Address proof
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

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

(b) In case of Eligible Shareholder other than Individual and HUF:

(i) If Eligible Shareholder is KRA registered:

A. Form required:

- KYC form

B. Documents required (all documents certified true copy):

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

(ii) If Eligible Shareholder is not KRA registered:

A. Forms required:

- KRA form
- KYC form

B. Documents required (all documents certified true copy):

- PAN card copy of company/ firm/trust
- Address proof of company/ firm/trust
- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies & address proof of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- MOA/Partnership deed /trust deed

Additionally, registered Equity Shareholders holding Equity Shares in Physical form must also provide the documents mentioned in paragraph 20.21.

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.

20.16 At the beginning of the Tendering Period, the order for buying Equity Shares shall be placed by the Company through the Company's Broker. During the Tendering Period, the order for selling the Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market. In the tendering process, the Company's Broker may also process the orders received from the Shareholders.

20.17 Shareholder Broker can enter orders for demat Shares as well as physical Shares.

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

20.19 The cumulative quantity tendered shall be made available on BSE website- www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.

20.20 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.

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

Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback. The Shareholder Broker would be required to place a bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of the BSE.

Before placing the bid, the Eligible Shareholder would need to transfer the tendered Equity Shares to the special account of India Clearing Corporation Limited ("**Clearing Corporation**" / "**ICCL**"), by using the early pay in mechanism as prescribed by the BSE or the Clearing Corporation prior to placing the bid by the Shareholder Broker. This shall be validated at the time of order/bid entry. The details of the settlement number for the Buyback shall be informed in the issue opening circular that will be issued by BSE/ Clearing Corporation. Modification/cancellation of orders will be allowed during the Tendering Period. The details of the special account of the Clearing Corporation shall be informed in the issue opening circular that will be issued by the BSE and/or the Clearing Corporation.

For custodian participant orders for demat Equity Shares, early pay-in is mandatory prior to confirmation of order/bid by custodians. The custodian shall either confirm or reject the orders not later than closing of

trading hours on the last day of the Tendering Period (Buyback Closing Date). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the Eligible Shareholder on whose behalf the bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, Number of Equity Shares tendered etc.

Eligible Shareholders who have tendered their Equity Shares in the Buyback may deliver the Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares, along with the TRS generated by the exchange bidding system either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer) not later than 2 (two) days from the Closing Date i.e. [●] (by 5 PM). The envelope should be superscribed as “**Ajanta Pharma Limited - Buyback Offer 2019**”. In case of non-receipt of the completed Tender Form and other documents, but receipt of Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Shareholders.

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 partial acceptance.

Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker’s depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian depository pool account.

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, 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).

20.22 Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in the Physical form

Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include:

- a) The Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares.
- b) Original share certificates
- c) Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company.
- d) Self-attested copy of the PAN Card(s) of all Shareholders.
- e) Any other relevant documents such as (but not limited to):

- i. Duly attested Power of Attorney if any person other than the Eligible Shareholder has signed the relevant Tender Form
 - ii. Notarized copy of death certificate / succession certificate or probated will, if the original Shareholder has deceased
 - iii. Necessary corporate authorisations, such as Board Resolutions etc., in case of companies
- f) In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buyback, using the acquisition window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the Exchange Bidding System to the Shareholder. TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered etc.

Any Shareholder Broker who places a bid for physical Equity Shares, is required to deliver Tender Form, TRS, original share certificate(s), valid share transfer form(s) & other documents (as mentioned in Paragraph hereinabove) either by registered post or courier or hand delivery to the Registrar to the Buyback Offer at the address mentioned on the cover page of this Letter of Offer not later than 2 (two) days from the Buyback Closing Date i.e. [●] (by 5 PM). The envelope should be superscribed as “**Ajanta Pharma Limited - Buyback Offer 2019**”. One copy of the TRS will be retained by Registrar to the Buyback Offer and it will provide acknowledgement of the same to the Shareholder Broker.

Eligible Shareholders holding physical shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buyback by the Company shall be subject to verification as per the Buyback Regulations and any further directions issued in this regard.

Registrar to the Buyback Offer will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as ‘unconfirmed physical bids’. Once Registrar to the Buyback Offer confirms the bids, they will be treated as ‘Confirmed Bids’.

In case any person has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buyback Offer before the Buyback Closing Date.

20.23 Additional requirements in respect of tenders by Non-resident shareholders

- a) While tendering their Equity Shares under the Buyback Offer, all Eligible Shareholders being Non-resident Shareholders should provide relevant confirmations/ declarations vide the duly filled-in and signed (by all shareholders in case the Equity Shares are held in joint names) Tender Forms (including a copy of the permission received from RBI wherever applicable). In the event relevant confirmations / declarations are not provided in the Tender Forms or there is ambiguity in the information provided, the Company reserves the right to reject such Tender Forms.
- 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 Shareholders should enclose documents in support of the same. Such documents should include:
 - a copy of the permission received by them from RBI at the time of the original acquisition of Shares
 - a letter from the Shareholder’s authorized dealer/bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the Non-resident shareholder from the appropriate account as specified by RBI in its approval.
 - Any other document which evidences repatriability of sale proceeds in respect of the tendered Shares.

In case the Non-resident shareholder is not in a position to produce supporting documents towards enabling repatriation, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Shareholder 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 Shares accepted under the Offer i.e. by way of credit to a non-repatriation bank account or issuance of Rupee demand draft.

- 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 Offer are liable to be rejected.

20.24 Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any Eligible Shareholder, shall not invalidate the Buyback Offer in any way. Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Tender Form downloaded from SEBI website (www.sebi.gov.in) or obtain a duplicate copy of the same by writing to the Registrar to the Buyback Offer. Please note that the Company shall accept Equity Shares validly tendered for the Buyback Offer on the basis of their holding and entitlement as appearing in the records of the Company as on the Record Date.

20.25 The acceptance of the Buyback Offer made by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or to not participate in the Buyback Offer. 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.

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

20.27 In case of non-receipt of the Letter of Offer / Tender Form:

- a) **In case the Equity Shares are in dematerialised form:** An Eligible Shareholder may participate in the Offer by downloading the Tender Form from the website of the Company i.e. www.ajantapharma.com or send an application in writing on plain paper signed by all Eligible Shareholders (in case of joint holding), 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, number of Equity Shares tendered for the Buyback.
- b) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Buyback Offer by providing an application in writing on a plain paper signed by all Eligible Shareholders (in case of joint holding) stating name, address, folio number, number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buyback Offer and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Eligible Shareholders' PAN card(s), executed share transfer form in favour of the Company and other necessary documents. The transfer form SH-4 can be downloaded from the Company's website i.e. www.ajantapharma.com Shareholders/ Shareholder Broker must ensure that the Tender Form, along with TRS and the requisite documents, reach the Registrar to the Buyback Offer no later than 2 (two) days from the Buyback Closing Date [●], 2019 (by 5 P.M). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Company or are not in the same order (although attested), such applications are liable to be rejected under this Buyback Offer.

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.

Please note that Eligible Shareholder(s) who intend to participate in the Buyback will be required to approach their respective Shareholder Broker (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Shareholder Broker or broker in the electronic platform to be made available by BSE before the Buyback Closing Date, otherwise the same are liable to be rejected.

20.28 Acceptance of orders

The Registrar shall provide details of order Acceptance to Clearing Corporation within specified timelines.

20.29 Method of Settlement

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

- (i) The Company will pay the consideration to the Company's Broker on or before the pay-in date for settlement. For Equity Shares accepted under the Buyback, the Shareholder will receive funds payout in their bank account from Clearing Corporation. The payment of consideration to all Shareholders validly participating in the Buyback will be made in Indian National Rupees.
- (ii) The Equity Shares bought back in the demat form would be transferred directly to the escrow account of the Company (the "**Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of the BSE.
- (iii) Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant. The custodian participants would return these unaccepted shares to their respective clients on whose behalf the bids have been placed.
- (iv) Equity Shares in Physical form, to the extent tendered but not accepted, will be returned back to the concerned Shareholders directly by Registrar to the Buyback Offer. The Company will issue a new single share certificate for all the unaccepted and excess physical shares and return the same to the sole/first Shareholder (in case of joint Shareholders). Share certificates in respect of unaccepted and excess / rejected Shares and other documents, if any, will be sent by Registered Post / Speed Post at the Shareholders' sole risk to the sole/first Shareholder (in case of joint Shareholders), at the address recorded with the Company, not later than [●], 2019.
- (v) Every Shareholder Broker who puts in a valid bid on behalf of an Eligible Shareholder, would issue a contract note and pay the consideration for the Equity Shares accepted under the Buyback and return the balance unaccepted Equity Shares to their respective clients. Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- (vi) Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Eligible Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the selling Shareholders from their respective Shareholder Broker, in respect of accepted Equity Shares, could be net of such costs, applicable taxes charges and expenses (including brokerage) and the Manager to the Buyback Offer and Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders.
- (vii) The Equity Shares lying to the credit of the Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the Buyback Regulations and Companies Act, 2013.

20.30 Settlement of Funds/Payment Consideration

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

For Equity Shares accepted under the Buyback, the Eligible Shareholders holding Equity Shares in dematerialised form will receive funds payout in the Shareholder's bank account as provided by the Depository system from Clearing Corporation and in case of physical shares the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market pay out mechanism. If Eligible Shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any issue then such funds will be transferred to the concerned Shareholder Brokers' settlement bank account for onward transfer to their respective Eligible Shareholders.

20.31 Special Account opened with the Clearing Corporation

The details of transfer of the dematerialised Equity Shares to the special account by trading member or custodians shall be informed in the issue opening circular that will be issued by the BSE or ICCL.

20.32 Rejection Criteria

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

For Eligible Shareholders holding shares in the dematerialized form if:

- 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.

For Eligible Shareholders holding Equity Shares in the physical form if:

- a. The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of [●], 2019 ([●]) by 5:00 p.m.;
- b. If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c. If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d. If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e. In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.

21. NOTE ON TAXATION

Disclosures in this paragraph are based on expert opinion sought by the Company.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE ASSESSING OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE.

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, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF 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 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.

The below provisions of Income Tax Act, 1961 (“Income Tax Act”):

1. GENERAL

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

A person who is treated as non-resident for Indian Income-Tax purposes is generally subject to tax in India only on such person's income which is accrued or has been received in India. In case of shares of a company, the source of income from shares would depend on 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 Income Tax Act subject to any specific exemption in this regard. Further, as per the provisions of the Income Tax Act, the non-resident can avail the beneficial provisions of the Double Taxation Avoidance Agreements (DTAA) between India and the respective jurisdiction of the shareholder subject to meeting relevant conditions and providing and maintaining necessary information and documents as prescribed under the Income Tax Act.

The Income Tax Act also provides for different tax regimes / rates applicable to the gains arising on buyback 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 buyback of listed equity shares on the stock exchange is set out below. All references to equity shares in this note refer to listed equity shares 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

i. Based on the provisions of the Income Tax Act, shares can be classified under the following two categories:

- Shares held as investment (Income from transfer taxable under the head "**Capital Gains**")
- Shares held as stock-in trade (Income from transfer taxable under the head "**Profits and Gains from Business or Profession**")

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). Traditionally, the issue of characterization of income arising from sale of shares has been a subject matter of litigation with the tax authorities. The Central Board of Direct Taxes ("**CBDT**") apex body of Income-tax has issued Circular no. 6 of 2016, as per which, if the taxpayer opts to consider the shares as stock-in-trade, the income arising from the transfer of such shares would be treated as its business income. Also, if such shares are held for a period of more than 12 months, and if the taxpayer desires to treat the income arising from the transfer thereof as "capital gains", the same shall not be put to dispute by the Tax Officer. However, this stand, once taken by the assessee in a particular assessment year, shall remain applicable in the subsequent assessment years also and the taxpayer shall not be allowed to opt a different / contrary stand in this regard in the subsequent years. Further, investments by FII/FPI in any securities in accordance with the regulations made under the Securities Exchange Board of India Act, 1992 would be treated as capital asset under the provisions of the Income Tax Act.

4. SHARES HELD AS INVESTMENT

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 buyback 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 Section 48 of the Income Tax Act. The provisions of Buyback tax under Section 115QA in Chapter XIIDA of the Income Tax Act do not apply for shares listed on the stock exchange and accordingly, the exemption provided under section 10(34A) of the Income Tax Act shall not be available to the eligible shareholders.

i) 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”:

- 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 “longterm capital gains” (“LTCG”).

ii) Buy back of shares through a recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buyback) is executed through a recognized stock exchange, they 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 Indian Stock Exchange. 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:

- The Finance Act, 2018 has withdrawn the exemption under section 10(38) for LTCG arising from transfer of equity shares on or after April 1, 2018. Section 112A of the Income Tax Act provides for taxation of income arising from the transfer of such shares, which is explained in the following paragraphs.
- The gain accrued on such equity shares till January 31, 2018 has been exempted by providing that for the purpose of computing LTCG the cost of shares acquired before February 1, 2018 shall be the higher of the following –
 - a. Actual cost of acquisition; or
 - b. Lower of –
 - Fair market value
 - Full value of consideration received or accruing as a result of the transfer of the shares

Fair market value has been defined to mean the highest price of the equity share quoted on any recognized stock exchange on January 31, 2018.

- After taking into account the exemption provided above, LTCG arising from transfer of equity shares, exceeding ₹100,000, will be taxable at 10% without allowing the benefit of indexation.

However, section 112A of the ITA shall not apply if such equity shares were acquired on or after 1st October 2004 and STT (‘STT under Chapter VII of the Finance (No. 2) Act, 2004’) was not paid. In this regard, the Central Government has issued a notification dated October 1, 2018 providing certain situations wherein section 112A of the ITA will continue to be applicable even if STT is not paid at the time of acquisition of equity shares. The notification provides for the following situations:

- a. Where acquisition of existing listed equity share in a company, whose equity shares are not frequently traded on a recognised stock exchange of India, was made through a preferential issue, subject to certain exceptions;

- b. Where transaction for acquisition of existing listed equity share in a company was not entered through a recognised stock exchange of India, subject to certain exceptions;
 - c. Acquisition of equity share of a company during the period beginning from the date on which the company was delisted from a recognised stock exchange and ending on the date on which the company was again listed on a recognised stock exchange in accordance with the Securities Contracts (Regulation) Act, 1956 read with Securities and Exchange Board of India Act, 1992 (15 of 1992) and any rules made there under.
- Where provisions of section 112A are not applicable, LTCG will be chargeable to tax at 20%. However, for a resident shareholder, an option is available to pay tax on such LTCG at either 20% with indexation or 10% without indexation.
 - STCG arising from such transaction would be subject to tax @ 15% under Section 111A of the ITA. Unlike in the case of LTCG, no amendment has been made that requires payment of STT at the time equity shares are acquired for eligibility of the concessional rate of 15% on STCG.
 - Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is required to be considered while computing tax on such LTCG or STCG taxable under Section 112A or 111A of the ITA. In addition to the above LTCG or STCG tax, Surcharge, Health and Education Cess are leviable (Please refer to Note 7 for rate of surcharge and cess).
 - MAT implications would get triggered in the hands of a resident corporate shareholder. Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India and such foreign company does not have a permanent establishment in India in terms of the DTAA.
 - Non-resident shareholders can avail beneficial provisions of the applicable DTAA entered into by India subject to fulfilling of the relevant conditions and the documentary compliance prescribed under the Income Tax Act.

5. SHARES HELD AS STOCK-IN-TRADE

- i. 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 "Profit and Gains from Business or profession". In such a case, the provisions of section 46A and section 48 of the Income Tax Act would not apply.

ii. Resident Shareholders

- For individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.
- Domestic company having turnover or gross receipts not exceeding ₹250 crore in the previous year i.e. 2016 -17 would be taxable @ 25%
- For persons other than individuals, HUF, AOP, BOI profits would be taxable at the rate of 30%.

In addition to the above, Surcharge and Health and education cess are leviable. No benefit of indexation by virtue of period of holding would be available in any case.

iii. Non Resident Shareholders

- a. When DTAA provisions are applicable

For Non Residents, taxability of profits as business income would be subject to beneficial provisions of applicable DTAA 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, Education Cess and Secondary and Higher Education Cess are leviable.

6. TAX DEDUCTION AT SOURCE

i. In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax on the consideration payable to resident shareholders pursuant to the said Buyback.

ii. In the case of Non-Resident Shareholders

Since the buy-back is 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 thereof recommended that non-resident shareholder may consult their custodians/authorized dealers/tax advisors appropriately to compute gains (if any) 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 buyback 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 buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

7. RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, Surcharge, Education Cess and Secondary and Higher Education Cess are leviable as under:

i. Surcharge:

- In case of domestic companies: Surcharge @ 12% is leviable where the total income exceeds Rs.10 crores and @ 7% where the total income exceeds ₹1 crore but upto ₹10 crores.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the total income exceeds ₹10 crores and @ 2% where the total income exceeds ₹1 crore but upto ₹10 crores.
- In case of Firms: Surcharge @12% is leviable where the total income exceeds ₹1 crore.
- In case of other assessee (i.e. other than companies and Firms): Surcharge @10% is leviable where the total income exceeds ₹50 Lakhs but not more than ₹1 crore and Surcharge @15% is leviable where the total income exceeds ₹1 Crore.

ii. Cess:

- a. Health and education cess @ 4% is leviable in all cases.

8. NOTES

- a. The above note on taxation sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the disposal of equity shares.
- b. 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, you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.
- c. All the above benefits are as the per the current tax laws (including amendments made by the Finance Act, 2018), legislation, its judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the benefits listed above. Accordingly, any changes or amendments in the law or relevant regulations would necessitate a review of the above.
- d. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the provisions of the relevant sections under the relevant tax laws.
- e. The tax rate and other provisions may undergo changes.

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 you should consult with your own tax advisors for the tax provisions applicable to your particular circumstances.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Schedule I to the Buyback Regulations:

The Board of Directors made the below mentioned declaration as on the date of passing the board resolution approving the Buyback i.e. January 30, 2019. Subsequently, pursuant to the authority granted to the Buyback Committee by the Board of Directors of the Company, in terms of resolutions dated January 30, 2019, the Buyback Committee has confirmed on behalf of Board of Directors that:

- i. The Board of Directors of the Company confirms that no defaults subsisting in the repayment of deposits, 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 company, in last three years.
- ii. The Board of Directors of the Company and the Buyback Committee of Directors confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion that:
 - a. Immediately following the date of the Board Meeting on January 30, 2019 and the date of this Draft Letter of Offer, there will be no grounds on which the Company can be found unable to pay its debts;
 - b. As regards the Company's prospects for the year immediately following the date of the Board Meeting and the date of this Draft Letter of Offer, having regard to the Board's intentions with respect to the management of the Company's business during the said year and to the amount and character of the financial resources which will in the Board's view be available to the Company during the said 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 and within a period of one year from the date of this Draft Letter of Offer, as the case may be;
 - c. In forming an opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or the Insolvency and Bankruptcy Code 2016, as the case may be, including prospective and contingent liabilities.

This declaration is made and issued by the Buyback Committee (under the authority of the Board of Directors) in terms of the resolution passed at its meeting held on February 4, 2019.

For and on behalf of the **Board of Directors of Company**

<i>Sd/-</i> Yogesh Agrawal Managing Director (DIN: 00073673)	<i>Sd/-</i> Rajesh Agrawal Joint Managing Director (DIN: 00302467)
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23. AUDITORS CERTIFICATE

The text of the report dated January 30, 2019 received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company addressed to the Board of Directors of the Company is reproduced below:

Quote:

“To,
The Board of Directors
Ajanta Pharma Limited
Ajanta House, 98 Govt. Industrial Area,
Charkop, Kandivli (West),
Mumbai – 400 067

Dear Sirs / Madam,

Subject: Statutory Auditor's report in respect of proposed buy back of equity shares by Ajanta Pharma Limited as per Clause (xi) of Schedule I to the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended

1. This Report is issued in accordance with the terms of our engagement letter dated January 28, 2019. The Board of Directors of Ajanta Pharma Limited ("the **Company**") have approved a proposed buy-back of Equity Shares by the Company at its meeting held on January 30, 2019, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the **Act**") read with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("**SEBI Buy-back Regulations**").
2. The accompanying Statement of permissible capital payment (including premium) ('**Annexure A**') as at March 31, 2018 (hereinafter referred to as the "**Statement**") is prepared by the management of the Company, which we have initialed for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement in accordance with Section 68(2) of the Act and ensuring compliance with Section 68, 69 and 70 of the Act and SEBI Buy-back Regulations, is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

4. Pursuant to the requirements of the SEBI Buy-back Regulations, it is our responsibility to provide a reasonable assurance whether:
 - (i) we have inquired into the state of affairs of the Company in relation to its latest audited standalone financial statements as at and for the year ended March 31, 2018, which have been audited by us, on which we have issued an unmodified opinion vide our report dated May 2, 2018 and have been adopted by the members of the Company on July 5, 2018 ("**audited financial statements**");
 - (ii) the amount of the permissible capital payment (including premium) as stated in Annexure A for the proposed buy-back of equity shares is properly determined in accordance with Section 68(2) of the Act; and
 - (iii) the Board of Directors of the Company in their meeting dated January 30, 2019, have formed the opinion as specified in clause (x) of Schedule I to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
5. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. We accordingly performed the following procedures:
 - i) Examined that the amount of permissible capital payment (including premium) for the buy back as detailed in Annexure A is in accordance with the provisions of Section 68(2) of the Act;
 - ii) Inquired into the state of affairs of the Company with reference to the audited financial statements;
 - iii) Examined the Board of Directors' declarations for the purpose of buy back and solvency of the Company; and
 - iv) Obtained appropriate representations from the Management of the Company.
6. 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 requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. 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.
8. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion

9. Based on our performance of the aforesaid procedures, we report that :
 - (i) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the year ended March 31, 2018;
 - (ii) The amount of permissible capital payments (including premium) towards the proposed buyback of equity shares as computed in the statement attached herewith is in our view properly determined in accordance with Section 68(2) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2018; and
 - (iii) the Board of Directors of the Company in their meeting held on January 30, 2019 have formed their opinion, as specified in clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the board resolution dated 30 January 2019.
10. Based on the representations made by the management, and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on use

11. This report has been issued at the request of the Company solely for use of the Company in relation to (i) enable the Board of Directors of the Company to include in the public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable laws and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (ii) for providing to the manager, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sd/-

Sreeja Marar

Partner

Mumbai
30 January 2019

Membership No: 111410

Annexure A – Statement of permissible capital payment (including premium)

Computation of amount of permissible capital payment towards buy back of equity shares of Ajanta Pharma Limited in accordance with proviso to Section 68 (2) of the Companies Act, 2013 (the "Act") and proviso to Regulation 4(i) of the SEBI Buy-back Regulations :

Particulars	Amount in INR crores *
Paid up equity share capital (8,80,14,500 Equity Shares of INR 2 each, fully paid up)* [A]	17.69^
Free reserves #:	
-Securities premium account *	
-General reserve *	901.00
-Surplus in the Statement of Profit and Loss *	931.67

Total free reserves [B]	1,910.09
Change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value [C]	11.41
Total [A + B – C]	1,916.37
Maximum amount permissible for buyback as per the Act and SEBI Buy-back Regulations (i.e.10% of aggregate of fully paid up equity share capital and free reserves as per audited standalone financial statements as of and for the year ended March 31, 2018)	191.64
Buyback offer size permitted by Board Resolution dated January 30, 2019	100
Buyback offer size as a percentage of total paid up capital and free reserves	5.22%

^The amount includes INR 0.09 crores on account of forfeiture of equity shares

* The amounts have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2018 and rounded off to the nearest crores.

Free reserves are as per sub clause 43 of Section 2 and explanation II to Section 68 of the Act.

For Ajanta Pharma Limited

Sd/-

Arvind Agrawal

Chief Financial Officer

Place: Mumbai

Date: January 30 2019”

Unquote

24. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Ajanta Pharma Limited at the Registered Office: ‘Ajanta House’, 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India, from 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays, during the Tendering Period.

- Copy of the Certificate of Incorporation;
- Memorandum and Articles of Association of the Company;
- Copy of the annual reports of the Company for the last three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 and unaudited limited review financial results approved by Board of Directors for the nine months ended December 31 2018;
- Certified true copy of the resolution passed by the Board of Directors at the meeting held on January 30, 2019 approving proposal for Buyback;
- Copy of Report dated January 30, 2019 received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, in terms of clause (xi) of Schedule I of the Buyback Regulations;
- Copy of Declaration of solvency and an affidavit verifying the same in Form SH-9, as prescribed under section 68(6) of the Companies Act, 2013;
- SEBI Comments vide letter no.[●] dated [●];
- Copy of Escrow Agreement dated [●], 2019 between the Company, Escrow Agent and Manager to Buyback Offer;
- Copy of the certificate from Nandkishore & Co, Chartered Accountants, dated January 31, 2019 certifying that the Company has adequate funds for the purposes of Buyback;
- Copy of Public Announcement dated January 31, 2019 published in the newspapers on February 1, 2019 regarding Buyback of Equity Shares;
- Opinion dated January 31, 2019 obtained by the Company on taxation.

25. DETAILS OF COMPLIANCE OFFICER

The Company has designated Mr. Gaurang Shah as the compliance officer for the purpose of the Buyback.

Mr. Gaurang Shah.

Company Secretary

Ajanta Pharma Limited

‘Ajanta House’, 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India
Tel: 022 6606 1000; **Fax:** 022 6606 1200;
Email: gaurang.shah@ajantapharma.com; **Website:** www.ajantapharma.com

Investor may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10:00 a.m. IST to 5:00 p.m. IST on all working days except Saturday, Sunday and public holidays.

26. DETAILS OF THE REMEDIES AVAILABLE TO THE SHAREHOLDERS/ BENEFICIAL OWNERS

- i. In case of any grievances relating to the Buyback (i.e. non-receipt of the Buyback consideration, Share certificate, demat credit, etc.) the investor can approach the Compliance Officer and/or Manager to the Buyback and/or Registrar to the Buyback for redressal.
- ii. If the Company makes any default in complying with the provisions of Section 68, 69, 70 of the Companies Act, 2013, or the rules made thereunder, 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, 2013.
- iii. The address of the concerned office of the Registrar of Companies is as follows:

The Registrar of Companies
Ministry of Corporate Affairs,
Office of Registrar of Companies,
100, Everest Building,
Marine Drive, Mumbai 400 002

27. INVESTOR SERVICE CENTRE AND REGISTRAR TO THE BUYBACK

In case of any query, the shareholders may also contact the Registrar to the Buyback on any day except Saturday, Sunday and Public holidays between 10:00 a.m. and 5:00 p.m. at the following address:



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;

Fax: +91 22 4918 6195;

E-mail: ajantapharma.buyback@linkintime.co.in;

Website: www.linkintime.co.in;

SEBI Registration Number: INR000004058;

Validity Period: Permanent

Corporate Identity Number: U67190MH1999PTC118368

28. MANAGER TO THE BUYBACK OFFER



INDUSIND BANK LIMITED

11th Floor, One India Bulls Centre, Tower 1, 841 Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013

Contact Person: Mr. Rahul Joshi

Tel: +91 (22) 7143 2208;

Fax: +91 (22) 7143 2270;

Email: investmentbanking@indusind.com;

Website: www.indusind.com;

SEBI Registration Number: INM000005031;

Validity Period: Permanent

CIN: L65191PN1994PLC076333

29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE DRAFT LETTER OF OFFER

As per Regulation 24(i)(a) of the Buyback Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Draft Letter of Offer and confirms that the information in this Draft Letter of Offer contain true, factual and material information and does not contain any misleading information. The Draft Letter of Offer is issued under the authority of the Board of Directors by the Buyback Committee through Resolution passed by the Buyback Committee meeting held on February 4, 2019.

For and on behalf of the Board of Directors of
Ajanta Pharma Limited

Sd/-
Yogesh Agrawal
Managing Director
(DIN: 00073673)

Sd/-
Rajesh Agrawal
Joint Managing Director
(DIN: 00302467)

Sd/-
Gaurang Shah
Company Secretary

Date: February 4, 2019
Place: Mumbai

Enclosure:

1. Tender Form for Demat Shareholders
2. Tender Form for Physical Shareholders

TENDER FORM
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM)

Bid Number:
Date:

BUYBACK OPENS ON:	[●], 2019
BUYBACK CLOSES ON:	[●], 2019

For Registrar use		
Inward No.	Date	Stamp

Status: Please tick appropriate box					
<input type="checkbox"/>	Individual	<input type="checkbox"/>	Foreign Institutional Investors/ Foreign Portfolio Investors	<input type="checkbox"/>	Insurance Company
<input type="checkbox"/>	Foreign Company	<input type="checkbox"/>	Non Resident Indian / OCB	<input type="checkbox"/>	FVCI
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / Financial Institution	<input type="checkbox"/>	Pension/ PF
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/ LLP	<input type="checkbox"/>	Others (specify)

India Tax Residency Status: Please tick appropriate box

☐ Resident in India ☐ Non-Resident in India ☐ Resident of _____ (Shareholder to fill the country of residence)

To,
The Board of Directors
Ajanta Pharma Limited
'Ajanta House', 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India
Tel: +91 22 6606 1000; **Fax:** +91 22 6606 1200

Dear Sirs,

Sub: Letter of Offer dated [●], 2019 ("Letter of Offer") to Buyback not exceeding 7,69,230 Equity Shares of Ajanta Pharma Limited (the "Company") at a price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share ("Buyback Offer Price"), payable in cash ("Buyback")

- 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.
- I / We authorise the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby affirm and warrant that the Equity Shares comprised in this Tender Offer are offered for Buyback by me / us are free from all liens, equitable interest, charges and encumbrance.
- I / We declare and warrant that there are no restraints / injunctions or other order(s)/ 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/ offer the Equity Shares for the Buyback.
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Shareholder as per the provisions of Buyback Regulations and circulars issued by SEBI.
- I/We agree that the excess demat Shares or unaccepted demat Shares, if any, tendered would be returned to the Eligible Shareholder as per the provision of Buyback Regulations and circulars issued by SEBI.
- I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
- 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, 2013 and rules made thereunder and the Buyback Regulations.
- Details of Equity Shares held and tendered / offered for Buyback Offer:

	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buyback		

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.

-----Tear along this line-----
Acknowledgement Slip: Ajanta Pharma Limited – Buyback Offer
(to be filled by the Eligible Shareholder) (subject to verification)

Folio No./DP ID: _____

Client ID _____

Received from Shri./ Smt. _____

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

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

Name of the Depository (tick whichever is applicable)	<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
Name of the Depository Participant	
DP ID No.	
Client ID with the Depository Participant	

11. Equity Shareholders Details:

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

*Corporate must affix rubber stamp and sign

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 / Offer Form

1. This Buyback offer will open on [●], 2019 and close on [●], 2019.
2. The Equity Shares tendered in the Buyback shall be rejected if (i) the tenderer is not a Eligible Shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the Shareholder; or (iii) if the Eligible Shareholder has made a duplicate bid; or (iv) on any grounds as per applicable law.
3. Eligible Shareholder is required to transfer the Equity Shares under the Buyback Offer to Indian Clearing Corporation Limited ("Clearing Corporation"), by using the settlement number through the early pay-in mechanism of depositories. This shall be validated by the Shareholder Broker at the time of order/bid entry. The details of the settlement number for the Buyback will be provided in a separate circular which shall be issued at the time of issue opening by Clearing Corporation/ BSE.
4. Eligible Shareholders who have tendered their Equity Shares in the Buyback may deliver the Tender Form duly signed (by all Shareholders in case shares are in joint names) in the same order in which they hold the shares, along with the TRS generated by the exchange bidding system either by registered post or courier or hand delivery to the Registrar to the Buyback Offer not later than 2 (two) days from the Buyback Closing Date i.e. [●], 2019. The envelope should be superscribed as "Ajanta Pharma Limited - Buyback Offer 2019". In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted, for demat Eligible Shareholders.
5. 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 partial acceptance. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by Clearing Corporation. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess demat Shares or unaccepted demat Shares, if any, will be returned to the respective custodian participant.
6. Eligible Shareholders to whom the Buyback offer is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their Buyback Entitlement, but not exceeding their holding as on the Record Date.
7. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
8. By agreeing to participate in the Buy-back the Non-resident Shareholders give the Company the unconditional and irrevocable authority and power 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.
9. Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI).
10. All capitalised items shall have the meaning ascribed to them in the Letter of Offer.

-----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, Ajanta Pharma 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; **Fax:** +91 22 4918 6195; **E-mail:** ajantapharma.buyback@linkintime.co.in; **Website:** www.linkintime.co.in

SEBI Registration Number: INR000004058; **Validity Period:** Permanent; **CIN:** U67190MH1999PTC118368

TENDER FORM
FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)

BUYBACK OPENS ON:	[●], 2019
BUYBACK CLOSES ON:	[●], 2019

Bid Number:

Date:

For Registrar use		
Inward No.	Date	Stamp

Status: Please tick appropriate box					
<input type="checkbox"/>	Individual	<input type="checkbox"/>	Foreign Institutional Investors/ Foreign Portfolio Investors	<input type="checkbox"/>	Insurance Company
<input type="checkbox"/>	Foreign Company	<input type="checkbox"/>	Non Resident Indian / OCB	<input type="checkbox"/>	FVCI
<input type="checkbox"/>	Body Corporate	<input type="checkbox"/>	Bank / Financial Institution	<input type="checkbox"/>	Pension/ PF
<input type="checkbox"/>	VCF	<input type="checkbox"/>	Partnership/ LLP	<input type="checkbox"/>	Others (specify)

India Tax Residency Status: Please tick appropriate box

☐ Resident in India ☐ Non-Resident in India ☐ Resident of _____ (Shareholder to fill the country of residence)

To,

The Board of Directors

Ajanta Pharma Limited

'Ajanta House', 98 Govt Industrial Area, Charkop, Kandivli (West), Mumbai - 400 067, Maharashtra, India

Tel: +91 22 6606 1000; **Fax:** +91 22 6606 1200

Dear Sirs

Sub: Letter of Offer dated [●], 2019 ("Letter of Offer") to Buyback not exceeding 7,69,230 Equity Shares of Ajanta Pharma Limited (the "Company") at a price of ₹ 1,300/- (Rupees One Thousand Three Hundred only) per Equity Share ("Buyback Offer Price"), payable in cash ("Buyback")

- I / We having read and understood the Letter of Offer, hereby tender / offer my / our Equity Shares in response to the Buyback in accordance with the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buyback the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Share certificates.
- I / We hereby affirm and warrants 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.
- I / We declare and warrant that there are no restraints / injunctions or other order(s)/ 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/ offer the Equity Shares for the Buyback.
- I / We agree that the consideration for the accepted Equity Shares will be paid to the Eligible Shareholder as per the provisions of Buyback Regulations and circulars issued by the SEBI.
- We agree that the excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered would be returned to the Eligible Shareholder as per the provisions of Buyback Regulations and circulars issued by the SEBI.
- I / We undertake to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to me / us on buyback of shares. I / We also undertake to provide the Company, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.
- 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 offer in accordance with the Companies Act, 2013 and the rules made thereunder and the Buyback Regulations.
- I / We authorize the Company to split the Equity Share certificates and issue a new consolidated Equity Share certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buyback.
- Details of Equity Shares held and tendered / offered for Buyback:

	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares Entitled for Buyback (Buyback Entitlement)		
Number of Equity Shares offered for Buy Back		

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.

11. Details of Share Certificate(s) Enclosed:

Total No. of Share Certificates Submitted:

Serial No.	Folio No.	Share Certificate No.	Distinctive No.		No. of Shares
			From	To	
1.					
2.					
3.					
4.					
Total					

In case the number of folios and equity share certificates enclosed exceed four no.'s, please attach a separate sheet giving details in the same format as above.

Tear along this line

Acknowledgement Slip: Ajanta Pharma Limited – Buyback Offer
(to be filled by the Eligible Shareholder) (subject to verification)

Ledger Folio No.: _____

*Received from Shri./ Smt. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with: _____

No. of Equity Shares offered for Buyback (In Figures) _____ (In Words) _____

STAMP OF BROKER

Please quote Ledger Folio No. for all future correspondence

12. Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

- | | |
|---|--|
| <input type="checkbox"/> Power of Attorney | <input type="checkbox"/> Previous RBI approvals for acquiring the Equity Shares of Ajanta Pharma Limited tendered in the Buyback |
| <input type="checkbox"/> Corporate authorizations | <input type="checkbox"/> Death Certificate |
| <input type="checkbox"/> Succession Certificate | <input type="checkbox"/> Self attested copy of Permanent Account Number (PAN Card) |
| <input type="checkbox"/> TRS | <input type="checkbox"/> Others (please specify) _____ |

13. Equity Shareholders Details:

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

*Corporate must affix rubber stamp and sign

14. Details of the bank account of the sole or first Shareholder to be incorporated in the consideration warrant (to be mandatorily filled)

Name of the Bank	Branch and City	Account Number (indicate type of account)

INSTRUCTIONS

This Tender / Offer 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 / Offer Form

- This Buyback offer will open on [●], 2019 and close on [●], 2019.
- Eligible Shareholder who wish to tender their Equity Shares in response to this Buyback Offer should submit the following documents to their Shareholder Broker who in turn would deliver the said documents along with Transaction Registration Slip (TRS) to the Registrar and Transfer Agent ("RTA") / may submit the requisite documents directly to the RTA; the documents should be sent to the RTA only after the placement of a valid bid; non-receipt of the below mentioned documents by the RTA till [●], 2019 by 5:00 p. m. shall result in the rejection of the tendered Equity Shares:
 - The Tender form duly signed (by all Shareholders in case of shares are in joint names) in the same order in which they hold shares;
 - Original Share Certificates;
 - Valid share transfer form(s) (SH-4) duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company.
 - Self-attested copy of the Shareholder's PAN Card.
 - Any other relevant documents such as (but not limited to) :
 - Duly attested Power of Attorney registered with the Registrar, if any person other than the Shareholder has signed the relevant Tender Form;
 - Notarized copy of death certificate/succession certificate or probated bill, if the original Shareholder has deceased;
 - Necessary corporate authorization, such as Board Resolutions etc., in case of companies;
 - In addition to the above, if the address of the Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Shareholder of the Company would be required to submit a self-attested copy of address proof consisting of any one of the following documents: Valid Aadhar Card, Voter identity card or Passport.
- Eligible Shareholders to whom the Buyback offer is made are free to tender Equity Shares to the extent of their Buyback Entitlement in whole or in part or in excess of their Buyback Entitlement, but not exceeding their holding as on the Record Date.
- All documents/ remittances sent by or to Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- All documents as mentioned above shall be enclosed with the valid Tender Form otherwise the Equity Shares will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others:
 - The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of [●], 2019 by 5:00 p.m.;
 - If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
 - If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
 - If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
 - In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.For other grounds of rejection please refer to the Letter of Offer.
- By agreeing to participate in Buyback the Non-resident Shareholders give the Company the unconditional and irrevocable authority and power 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.
- Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI).
- The Equity Shares tendered in the Buyback shall be rejected if (i) the Shareholder is not a Eligible Shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the Shareholder; or (iii) if the Eligible Shareholder has made a duplicate bid; or (iv) on any grounds as per applicable law.
- In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the offer by providing their application in plain paper in writing signed by such Eligible Shareholder, stating the name of the Eligible Shareholder, address of the Eligible Shareholder, folio number, Share certificate number, number of Equity Shares held and number of Equity Shares tendered and enclosing other relevant documents such as physical Equity Share certificate, copy of PAN card and Form SH-4 in favour of the Company in case of Equity Shares being held in physical form. Eligible Shareholders have to ensure that their bid is entered in the electronic platform to be made available by the BSE before the closure of the Buyback.
- All capitalised items shall have the meaning ascribed to them in the Letter of Offer.

-----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 FOLIO NUMBER:

Investor Service Centre, Ajanta Pharma 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; **Fax:** +91 22 4918 6195; **E-mail:** ajantapharma.buyback@linkintime.co.in; **Website:** www.linkintime.co.in

SEBI Registration Number: INR000004058; **Validity Period:** Permanent; **CIN:** U67190MH1999PTC118368

Form No. SH-4**Securities Transfer Form**

[Pursuant to section 56 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of execution.....

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

CIN: L24230MH1979PLC022059

Name of the company (in full): Ajanta Pharma Limited

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

DESCRIPTION OF SECURITIES:

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

No. of Securities being Transferred		Consideration Received (Rs)	
In Figures	In Words	In words	In figures

Distinctive Number	From				
	To				
Corresponding Certificate Nos:					

TRANSFEROR’S PARTICULARS

Registered Folio Number	
Name(s) in full	Signature (s)
1.	
2.	
3.	

I, hereby confirm that the Transferor has signed before me.

Signature of the Witness	
Name of the Witness	
Address of Witness	
	Pin Code:

TRANSFeree'S PARTICULARS

	1	2	3
Name in full			
Father's/ Mother's/ Spouse Name			
Address, Mobile/Ph. No. E-mail ID Pin Code			
Occupation			
Existing folio no., if any			
PAN No.			
Signature			

Folio No. of Transferee: _____

Specimen Signature of Transferee(s)

1. _____
2. _____
3. _____

Existing Folio No. If any

1. _____
2. _____

Value of stamp affixed: Rs._____

Enclosures:

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

Stamps:

--

For office use only

Checked by _____

Signature tallied by _____

Entered in the Register of Transfer on _____ **vide Transfer No.** _____

Approval Date _____

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

Registered on _____ **at No.** _____