



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

This Letter of Offer is being sent to you as a registered Equity Shareholder (*as defined hereinafter*) of Granules India Limited (the “Company”) as on the Record Date (*as defined hereinafter*) in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the “Buyback Regulations”). If you require any clarifications about the action to be taken, you should consult your stockbroker or your investment consultant or the Manager to the Buyback i.e. Motilal Oswal Investment Advisors Limited or the Registrar to the Buyback i.e. KFin Technologies Private Limited. Please refer to the section on “Definitions” for the definition of the capitalized terms used herein.

	<p><b>Granules India Limited</b>  <b>Registered Office:</b> Second Floor, Block III, My Home Hub, Madhapur,  Hyderabad – 500081, Telangana – India  <b>Phone:</b> +91 40 3066 0000   <b>Fax:</b> +91 40 2311 5145   <b>Email:</b> investorrelations@granulesindia.com    <b>Website:</b> <a href="http://www.granulesindia.com">http://www.granulesindia.com</a>  <b>Corporate Identification Number (CIN):</b> L24110TG1991PLC012471  <b>Contact Person:</b> Ms. Chaitanya Tummala, Company Secretary, Compliance Officer and Nodal Officer</p>
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**CASH OFFER TO BUYBACK UP TO 1,25,00,000 (ONE CRORE TWENTY-FIVE LAKHS ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹1 EACH (“EQUITY SHARES”)(“BUYBACK”), REPRESENTING 4.92% OF THE TOTAL PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY, FROM ALL THE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF THE FULLY PAID EQUITY SHARES OF THE COMPANY AS ON THE RECORD DATE I.E. FRIDAY, MARCH 20, 2020 (“RECORD DATE”), ON A PROPORTIONATE BASIS, THROUGH THE “TENDER OFFER” ROUTE, AT A PRICE OF ₹200 (RUPEES TWO HUNDRED ONLY) PER EQUITY SHARE (THE “BUYBACK PRICE”) FOR AN AGGREGATE AMOUNT OF UP TO ₹250,00,000 (RUPEES TWO HUNDRED AND FIFTY CRORES ONLY) (THE “BUYBACK SIZE”). AS REQUIRED UNDER THE BUYBACK REGULATIONS, EQUITY SHARES TO BE BOUGHT BACK ARE DIVIDED INTO TWO CATEGORIES: (I) RESERVED CATEGORY FOR SMALL SHAREHOLDERS (AS DEFINED HEREINAFTER); AND (II) GENERAL CATEGORY FOR ALL OTHER SHAREHOLDERS.**

- The Buyback is in accordance with Section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 (the “Companies Act”), the Buyback Regulations, Article 60 of the Articles of Association of the Company and is subject to other approvals, permissions and exemptions as may be required from time to time from any statutory and/ or regulatory authority and which may be agreed by the Board and/ or any committee thereof.
- The Buyback Size is 17.90% and 16.83% of the aggregate of the fully paid-up equity share capital and free reserves as per the latest audited standalone and consolidated financial statements of the Company as at March 31, 2019 respectively (the last standalone and consolidated audited balance sheet available for the financial year as on the date of the Board meeting approving the proposal of the Buyback, held on January 21, 2020) and is within the statutory limits of 25% of the total paid-up equity share capital and free reserves as per the last standalone and consolidated audited financial statements of the Company for financial year ended March 31, 2019. The Equity Shares proposed to be bought back represent 4.92% of the total number of paid-up equity share capital of the Company.
- The Letter of Offer will be sent to the Shareholder(s)/ Beneficial Owner(s) holding Equity Shares of the Company as on the Record Date i.e. Friday, March 20, 2020.
- The procedure for tendering and settlement is set out in clause 20 at page 28 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the “Tender Form”) is enclosed together with this Letter of Offer.
- For mode of payment of consideration to the Equity Shareholders, please refer to clause 20(XXV) at page 33 of this Letter of Offer.
- Equity Shareholders are advised to refer to Clause 17 (Details of the Statutory Approvals) and Clause 21 (Note on Taxation) of this Letter of Offer, before tendering their Equity Shares in the Buyback.
- A copy of the Public Announcement and the Letter of Offer (including the Tender Form) shall also be available on the website of Securities and Exchange Board of India - <http://www.sebi.gov.in>. The Letter of Offer (including the Tender Form) will also be made available on the websites of the Manager to the Buyback on <http://www.motilalosalgroup.com>, websites of the Stock Exchanges - [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), website of the Registrar to the Buyback - <https://karisma.kfintech.com/buybackoffer.aspx> and on the website of the Company - [www.granulesindia.com](http://www.granulesindia.com)
- The procedure to submit the documents for Eligible Shareholders tendering shares in physical form is set out in Clause 18 (The Details of the Registrar to the Buyback and Investor Service Centre) and Clause 20(XXII) (Procedure to be followed by Eligible Shareholders holding Equity Shares in physical form) of this Letter of Offer.**

<b>MANAGER TO THE BUY BACK</b>		<b>REGISTRAR TO THE BUY BACK</b>	
 <p><b>Motilal Oswal Investment Advisors Limited</b>  Motilal Oswal Tower, Rahimtullah Sayani Road  Opposite Parel ST Depot, Prabhadevi, Mumbai- 400 025  Maharashtra, India  <b>Tel:</b> +912250362512 / +912271935300   <b>Fax:</b> +91 22 7193 4315  <b>E-mail:</b> <a href="mailto:gil.buyback2020@motilalosal.com">gil.buyback2020@motilalosal.com</a>  <b>Investor Grievance E-mail:</b> <a href="mailto:moiaplredressal@motilalosal.com">moiaplredressal@motilalosal.com</a>  <b>Website:</b> <a href="http://www.motilalosalgroup.com">http://www.motilalosalgroup.com</a>  <b>Contact person:</b> Kristina Dias/ Subodh Mallya  <b>SEBI Registration No.:</b> INM000011005  <b>Validity Period:</b> Permanent  <b>CIN:</b> U67190MH2006PLC160583</p>		 <p><b>KFin Technologies Private Limited</b>  Selenium, Tower B Plot No. 31-32, Financial District Nanakramguda,  Srilingampally Hyderabad Rengareddi 500 032  Telangana, India  <b>Tel:</b> +91 40 6716 2222 <b>Fax:</b> +91 40 2343 1551  <b>E-mail:</b> <a href="mailto:gil.buyback2020@kfintech.com">gil.buyback2020@kfintech.com</a>  <b>Investor grievance e-mail:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>  <b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a>  <b>Contact Person:</b> M Murali Krishna  <b>SEBI Registration No.:</b> INR000000221  <b>Validity Period:</b> Permanent  <b>CIN:</b> U67190MH1999PTC118368</p>	
<b>BUY BACK OPENS ON:</b>	MONDAY, JUNE 08, 2020	<b>BUY BACK CLOSES ON:</b>	FRIDAY, JUNE 19, 2020
<b>LAST DATE/ TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR: TUESDAY, JUNE 23, 2020, 5 PM</b>			

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## 1. SCHEDULE OF ACTIVITIES

Activity	Day and Date
Date of the Board meeting to approve the proposal for Buyback of Equity Shares	Tuesday, January 21, 2020
Results of Postal Ballot for seeking shareholder approval for Buyback of Equity Shares	Tuesday, March 10, 2020
Date of publication of Public Announcement for the Buyback	Thursday, March 12, 2020
Record Date for determining the Buyback Entitlement and the names of Eligible Sellers	Friday, March 20, 2020
<b>Buyback opens on / date of opening of Buyback</b>	<b>Monday, June 08, 2020</b>
<b>Buyback closes on / date of closing of Buyback</b>	<b>Friday, June 19, 2020</b>
Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar and Transfer Agent	Tuesday, June 23, 2020
Last date of verification by Registrar	Tuesday, June 23, 2020
Last date of providing Acceptance to the Stock Exchange by the Registrar	Monday, June 29, 2020
Last date of settlement of bids on the Stock Exchange	Tuesday, June 30, 2020
Last date of dispatch of share certificate(s) by RTA/ return of unaccepted demat Equity Shares by Stock Exchange to Selling Member/Eligible Sellers	Tuesday, June 30, 2020
Last date for payment of consideration to Eligible Shareholders who participated in the Buyback	Tuesday, June 30, 2020
Last date of extinguishment of Equity Shares	Tuesday, July 07, 2020

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

## 2. DEFINITION OF KEY TERMS

This Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specified otherwise, shall have the meaning provided below. Reference to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, 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 Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buyback Regulations, the Companies Act, the Depositories Act, 1996, and the rules and regulations made thereunder.

Term	Description
<b>Acceptance / Accept / Accepted</b>	Acceptance of Equity Shares tendered by Eligible Sellers in the Buyback Offer.
<b>Acquisition Window</b>	The facility for acquisition of Equity Shares through mechanism provided by the Designated Stock Exchange in the form of a separate window in accordance with the SEBI Circulars.
<b>Additional Equity Shares or Additional Shares</b>	Additional Equity Shares tendered by an Eligible Seller over and above the Buyback Entitlement of such Eligible Seller not exceeding the Equity Shares held by such Eligible Seller as on the Record Date.
<b>Articles / AOA</b>	Articles of Association of the Company, as amended from time to time
<b>Board or Board of Directors</b>	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).
<b>Board Meeting</b>	Meeting of the Board of Directors of the Company held on Tuesday, January 21, 2020 approving the Buyback.
<b>BSE</b>	BSE Limited
<b>Buyback or Buyback Offer or Offer</b>	Buyback of up to 1,25,00,000 (One Crore Twenty-Five Lakhs) fully paid-up Equity Shares at a price of ₹ 200 (Rupees Two Hundred Only) per Equity Share for an aggregate amount up to ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crores Only) through Tender Offer.
<b>Buyback Closing Date</b>	Friday, June 19, 2020 being the last date upto which the tendering of shares by Eligible Sellers will be allowed
<b>Buyback Opening Date</b>	Monday, June 08, 2020 being the date from which the tendering of Equity Shares by Eligible Sellers will be allowed
<b>Buyback Entitlement or Entitlement</b>	The number of Equity Shares that an Eligible Seller is entitled to tender, in the Buyback, based on the number of Equity Shares held by such Eligible Seller, on the Record Date and the ratio / percentage of Buyback applicable to such Shareholder.
<b>Buyback Price or Offer Price</b>	Price at which Equity Shares will be bought back from the Equity Shareholders i.e. ₹200 (Rupees Two Hundred Only) per Equity Share, payable in cash.
<b>Buyback Size</b>	Number of Equity Shares proposed to be bought back (i.e. 1,25,00,000 (One Crore Twenty Five Lakh) fully paid-up Equity Shares) multiplied by the Buyback Price (i.e. a price of ₹ 200

<b>Term</b>	<b>Description</b>
	(Rupees Two Hundred Only) per Equity Share) aggregating to ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crores Only).
<b>Buyback Regulations</b>	The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 including any amendments, statutory modifications or re-enactments thereof, for the time being in force and the SEBI Circulars.
<b>CDSL</b>	Central Depository Services (India) Limited
<b>Clearing Corporation</b>	Indian Clearing Corporation Limited
<b>Committee or Committee of Directors or Buyback Committee</b>	The Committee of Directors was formed and authorized for the purposes of the Buyback through a resolution of the Board dated January 21, 2020.
<b>Companies Act or Act</b>	Companies Act, 2013 and applicable rules thereunder.
<b>“Company” or “Our Company” or “we” or “us” or “our”</b>	Granules India Limited, unless the context states otherwise.
<b>Company’s Broker</b>	Motilal Oswal Financial Services Limited
<b>Company’s Demat Account</b>	The depository account entitled “Granules India Limited Buyback Offer 2020” opened by the Company.
<b>DP</b>	Depository Participant
<b>Depositories</b>	NSDL and CDSL
<b>Designated Stock Exchange</b>	The designated stock exchange for the Buyback being BSE Limited.
<b>Director</b>	Director(s) of the Company.
<b>Draft Letter of Offer (DLOF)</b>	This Draft Letter of Offer dated March 13, 2020 filed with SEBI.
<b>Eligible Shareholders or Eligible Person or Equity Shareholder or Eligible Sellers</b>	Person(s) eligible to participate in the Buyback Offer and would mean all equity shareholders/beneficial owner(s) of Equity Shares of the Company as on the Record Date i.e. Friday, March 20, 2020 and excludes Person(s) who do not have the capacity under applicable law to tender shares.
<b>Equity Shares</b>	Fully paid-up equity shares of the Company each having a face value of ₹1 (Rupee One Only).
<b>Escrow Account</b>	The Escrow Account titled “Granules Buyback of Equity Shares 2020 – Escrow Account” opened with the Escrow Agent.
<b>Escrow Agent</b>	Axis Bank Limited
<b>Escrow Agreement</b>	The Escrow Agreement dated March 10, 2020 entered into between the Company, the Manager and the Escrow Agent.
<b>GST</b>	Goods and Services Tax
<b>FEMA</b>	Foreign Exchange Management Act, 1999
<b>FII</b>	Foreign Institutional Investors
<b>FPI</b>	Foreign Portfolio Investors
<b>IT Act or Income Tax Act</b>	Income-tax Act, 1961, as amended
<b>General Category</b>	Eligible Sellers other than the Small Shareholders
<b>LOF or Letter of Offer</b>	The letter of offer dated May 29, 2020, containing disclosures in relation to the Buyback as specified in the Buyback Regulations, including comments received from SEBI on the Draft Letter of Offer.
<b>Manager to the Buyback or Manager to the Offer</b>	Motilal Oswal Investment Advisors Limited
<b>N.A.</b>	Not Applicable
<b>Non-Resident Shareholders</b>	Includes Non-resident Indians (NRI), Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI) and erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals.
<b>NRE</b>	Non Residents External
<b>NRI</b>	Non Resident Indian
<b>NSE</b>	National Stock Exchange of India Limited
<b>NSDL</b>	National Securities Depository Limited
<b>Promoter and Promoter Group</b>	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.
<b>Postal Ballot Notice</b>	Notice of postal ballot dated January 21, 2020 for obtaining approval for the Buyback from the shareholders of the Company
<b>Public Announcement</b>	The public announcement, made in accordance with the Buyback Regulations, dated March 11, 2020, published in all editions of Business Standard, an English national daily, Business

Term	Description
	Standard, a Hindi national daily, and in the Hyderabad edition of Nava Telangana, a regional language (Telugu) daily, each with wide circulation, on March 12, 2020.
<b>RBI</b>	Reserve Bank of India
<b>Record Date</b>	The date for the purpose of determining the Buyback Entitlement and the names of the Eligible Sellers to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the proposed Buyback offer in accordance with the Buyback Regulations. The Record Date for the Offer is Friday, March 20, 2020.
<b>Registrar to the Buyback</b>	KFin Technologies Private Limited
<b>Relaxation circular</b>	SEBI circular bearing number SEBI/CIR/CFD/DCR1/CIR/P/2020/83 dated May 14, 2020
<b>SEBI</b>	Securities and Exchange Board of India
<b>SEBI Circulars</b>	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 read with the SEBI circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 09, 2016, as amended.
<b>Seller Member/ Seller Broker/ Stock Broker</b>	A stock broker (who is a member of the BSE) of an Eligible Seller, through whom the Eligible Shareholder wants to participate in the Buyback
<b>Shareholders</b>	Holders of Equity Shares and includes beneficial owners thereof
<b>Small Shareholder</b>	'Small Shareholder' means a shareholder of the Company, who holds shares whose market value, on the basis of closing price of shares, on the recognized stock exchange in which highest trading volume in respect of such security, as on Record Date (i.e. Friday, March 20, 2020), is not more than ₹ 200,000 (Rupees Two Lakh Rupees Only).
<b>Stock Exchanges</b>	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed.
<b>Takeover Regulations</b>	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
<b>Tender Form</b>	The form to be filled in and sent to the Registrar by the Eligible Shareholders to participate in the Buyback.
<b>Tender Offer</b>	Method of Buyback as defined in Regulation 2(i)(q) of the Buyback Regulations.
<b>Tendering Period</b>	Period of 10 (Ten) Working Days from the date of opening of the Buyback Offer until its closure (both days inclusive).
<b>TRS</b>	Transaction Registration Slip generated by the exchange bidding system
<b>Working Day</b>	Working day shall have the meaning ascribed to it under the Buyback Regulations.

### 3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this 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 its Buyback commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buyback, Motilal Oswal Investment Advisors Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act and the Buyback Regulations. This requirement is to facilitate Eligible Sellers to take an informed decision in 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 the Letter of Offer, the Manager to the Buyback is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager, Motilal Oswal Investment Advisors Limited, has furnished to SEBI a due diligence certificate dated March 13, 2020, in accordance with the Buyback Regulations, which reads as follows:

*"We have examined various documents and material papers contained in the annexures to this Draft Letter of Offer relevant to the Buyback, as part of the due diligence carried out by us in connection with the finalization of the Public Announcement published on March 12, 2020 and the Draft Letter of Offer dated March 13, 2020. On the basis of such examination and the discussions with the Company, we hereby state that:*

- 1) *the Public Announcement and the Draft Letter of Offer are in conformity with the documents, materials and papers relevant to the Buyback;*
- 2) *all the legal requirements connected with the said offer including the SEBI (Buy-Back of Securities) Regulations, 2018, as amended, have been duly complied with;*

- 3) *the disclosures in the Public Announcement and the Draft Letter of Offer are, to the best of our knowledge, true, fair and adequate in all material respects for the Eligible Sellers to make a well-informed decision in respect of the captioned Buyback;*
- 4) *funds used for Buyback shall be as per the provisions of the Companies Act, as amended.”*

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

The Promoters/ Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Sellers has been suppressed, withheld and / or incorporated in a 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/ misrepresentation, the Promoters/ Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act and the Buyback Regulations.

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

**Disclaimer for Persons in countries other than India:**

This Letter of Offer does not in any way constitute an offer or an invitation 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 Letter of Offer are requested to inform themselves about and to observe any such restrictions.

**Important Notice to Shareholders**

- This Letter of Offer together with the Public Announcement that was published on March 12, 2020 in connection with this Buyback, has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buyback are under no obligation to update the information contained herein at any time after the date of this Letter of Offer. This Letter of Offer does not in any way constitute an offer in any form, or an invitation in any form to subscribe/purchase/sell, any securities of the Company in any jurisdiction or as a solicitation or an invitation in any form to subscribe/purchase/sell any securities including the Equity Shares of the Company.
- No action has been or will be taken to permit the Buyback in any jurisdiction where action would be required for that purpose. This Letter of Offer shall be dispatched to all Equity Shareholders whose names appear on the register of members of the Company, as of the Record Date i.e. Friday, March 20, 2020. However, receipt of the Letter of Offer by any Eligible Seller in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this Letter of Offer under any local securities laws), shall not be treated by such Eligible Seller as an offer being made to them and shall be construed by them as being sent for information purposes only.
- Persons in possession of this Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Eligible Seller who tenders his, her or its Equity Shares in the Buyback/ Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buyback.

**Forward Looking Statements**

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

## Currency and Unit of Presentation

In this Letter of Offer, references to “₹” and “Rupees” are to Indian Rupees i.e. the legal currency of India. Further, all data related to financials are given in ₹ lakhs, unless otherwise stated. Certain figures contained in this Letter of Offer, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

### 4. TEXT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS THROUGH POSTAL BALLOT

The Buy-back through a tender offer has been duly authorized by a resolution passed by the Board of Directors at its meeting held on January 21, 2020 and was considered and approved by the shareholders of the Company through Postal Ballot on March 09, 2020 and, the result of which has been declared on March 10, 2020. The text of the special resolution passed by the shareholders is given below:

**“RESOLVED THAT** in accordance with Article 60 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70, 110 and all other applicable provisions of the Companies Act, 2013 (the Act) and applicable rules made thereunder and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended from time to time (SEBI Buyback Regulations) and subject to such other approvals, permissions and sanctions as may be necessary, which may be agreed by the Board of Directors of the Company (herein referred to as the Board which term shall be deemed to include Buy-back Committee which the Board has constituted to exercise its powers, including the powers conferred by this resolution), the consent of the members of the Company be and is hereby accorded to buy-back of up to 1,25,00,000 (one crore twenty-five lakh only) fully paid up Equity Shares of the Company having face value of Re. 1/- each (Equity Share(s)) (representing 4.92% of the total number of Fully paid up Equity Shares of the Company), at a price of Rs. 200/- (Rupees Two Hundred only) per Equity Share (Maximum Buy-back Price) payable in cash for a total consideration not exceeding Rs. 250 Crores (Rupees Two Hundred and Fifty Crore only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors/ legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses (Transaction Costs) (hereinafter referred to as Maximum Buy-back Size), which is 17.90% and 16.83% of the total paid-up equity share capital and free reserves (including securities premium account) as per the latest available audited financial statements of the Company for the financial year ended March 31, 2019, on standalone and consolidated basis, respectively, through the Tender Offer route as prescribed under the SEBI Buyback Regulations (the process being referred hereinafter as Buy-back), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the Record Date to be decided at a later stage.

**RESOLVED FURTHER THAT** all eligible existing holders / beneficial owners of the Equity Shares of the Company would be eligible to participate in the Buy-back including promoters and promoter group of the Company (including members thereof) and their associates who hold Equity Shares as on the Record Date.

**RESOLVED FURTHER THAT** in accordance with the provisions of the SEBI Buyback Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to buy-back or such 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 holding Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Buy-back from non-resident shareholders, Overseas Corporate Bodies (OCBs), Foreign Portfolio Investors (FPIs) and shareholders of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder.

**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 Buy-back;

**RESOLVED FURTHER THAT** the Company shall implement the Buy-back using the “Mechanism for acquisition of shares through Stock Exchange” as notified by SEBI vide circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular No. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time and the Company shall approach the BSE Limited (“BSE”) or National Stock Exchange of India Limited (“NSE”) or both BSE and NSE for facilitating the same.

**RESOLVED FURTHER THAT** the Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations and under the Securities Contracts (Regulation) Rules, 1957.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback like record date, entitlement ratio, determination of the Buyback Size on a standalone and consolidated basis, time frame for completion of Buyback; appointment of merchant banker, brokers, lawyers, depository participants, escrow agents, bankers, advisors, registrars, scrutinizers, consultants/intermediaries/agencies, as may be required, for the implementation of the Buyback; preparing, finalizing, signing and filing of the public announcement, the Letter of Offer/letter of offer with SEBI, the Stock Exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the SEBI and RBI; and initiating all necessary actions for preparation and issue of various documents including public announcement, draft letter of offer, letter of offer, opening, operation and closure of necessary accounts including escrow account, special payment account with the bank, entering into escrow agreements as required under the SEBI Buyback Regulations, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishing Equity Shares bought back by the Company, and filing such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with SEBI, RBI, Stock Exchanges, Registrar of Companies, Depositories and/ or other regulators and statutory authorities as may be required from time to time.

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

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

## 5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with the provisions of Regulation 7(i) of the Buyback Regulations, the Company has made a Public Announcement dated March 11, 2020 for the Buyback of Equity Shares published on March 12, 2020 in the following newspapers.

Name of Newspaper	Language	Edition
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Nava Telangana	Telugu	Hyderabad Edition

The Public Announcement was issued within 2 (two) working days from the date of declaration of results of the postal ballot for Special Resolution i.e. March 10, 2020. A copy of the Public Announcement is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) and on the website of the Company – [www.granulesindia.com](http://www.granulesindia.com) and on the websites of BSE at [www.bseindia.com](http://www.bseindia.com) and NSE at [www.nseindia.com](http://www.nseindia.com).

The Company will publish further notices or corrigenda, if any, in the abovementioned newspapers.

## 6. DETAILS OF THE BUY BACK

- i. The Board of Directors of the Company, at their meeting held on January 21, 2020 (the “**Board Meeting**”) and the Shareholders of the Company vide the postal ballot, results of which were published on March 10, 2020, pursuant to the provisions of Article 60 of Articles of Association of the Company and Section 68, 69, 70 and other applicable provisions of the Companies Act, Buyback Regulations and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board, approved the buyback of up to 1,25,00,000 (One Crore Twenty-Five Lakh Only) fully paid up Equity Shares of the Company having face value of ₹ 1 each (Equity Share(s)) (representing 4.92% of the total number of Fully paid up Equity Shares of the Company), at a price of ₹ 200 (Rupees Two Hundred only) per Equity Share payable in cash for a total consideration not exceeding ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crore only), which is 17.90% and 16.83% of the total paid-up equity share capital and free reserves



(including securities premium account) as per the latest available audited financial statements of the Company for the financial year ended March 31, 2019, on standalone and consolidated basis, respectively, through the “Tender Offer” route as prescribed under the SEBI Buyback Regulations (the process being referred hereinafter as Buy-back), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company as on the Record Date.

- II. The Buyback Size does not include any other expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, advisor’s fees, public announcement publication expenses, printing and dispatch expenses, and other incidental and related expenses.
- III. The aggregate paid-up share capital and free reserves of the Company as on March 31, 2019 was ₹ 139,618.19 lakhs on a standalone basis and ₹ 148,565.11 lakhs on a consolidated basis and under the provisions of the Act, the funds deployed for Buyback shall not exceed 25% of the paid-up equity capital and free reserves of the Company, as provided for under Section 68(2) of the Companies Act. Accordingly, the maximum amount that can be utilized in the present Buyback is ₹ 34,904.55 lakhs on a standalone basis and ₹ 37,141.28 lakhs on a consolidated basis. The Company has proposed to utilize an aggregate amount of up to ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crores only) for the Buyback which is within the maximum amount as mentioned above.
- IV. Participation in the Buyback by Eligible Shareholders may trigger tax implications in India and in their country of residence. The transaction of Buyback would also be chargeable to securities transaction tax in India. However, in view of the particularized nature of tax consequences, Eligible Shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buyback.
- V. Pursuant to the proposed Buyback and depending on the response to the Buyback, the voting rights of the members of the promoter and promoter group in the Company may increase or decrease from their existing shareholding in the total equity share capital and voting rights of the Company. Pursuant to the completion of the Buyback, the public shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Any change in voting rights of the promoter and promoter group of the Company pursuant to completion of Buyback will not result in any change in control over the Company.
- VI. The Company, in compliance with regulation 4(v) of the Buyback Regulations, is not undertaking this Buyback to delist its Equity Shares or any other specified securities from the stock exchanges.
- VII. The shareholding of the promoter and promoter group of the Company (the “Promoter and Promoter Group”) and persons acting in concert as on the date of this DLOF is as under:

Name of Shareholder	No. of Equity Shares	% Shareholding
Krishna Prasad Chigurupati	9,03,29,927	35.53%
Uma Devi Chigurupati	99,02,860	3.89%
Priyanka Chigurupati	19,57,598	0.77%
Pragnya Chigurupati	19,73,020	0.78%
Suseela Devi Chigurupati	65,000	0.03%
Santhi Sree Ramanavarapu	9,17,200	0.36%
Tyche Investments Private Limited	38,07,096	1.50%
Yedaguri Nikhila Reddy	29,500	0.01%
<b>Total Shareholding of Promoters</b>	<b>10,89,82,201</b>	<b>42.86%</b>

Aggregate shareholding of the directors of the company which is a part of the Promoter and Promoter Group, as on the date of this DLOF:

Name of Shareholder	No. of Equity Shares	% Shareholding
Uma Devi Chigurupati	99,02,860	3.89%
Krishna Prasad Chigurupati	9,03,29,927	35.53%
<b>Total</b>	<b>10,02,32,787</b>	<b>39.42%</b>

- VIII. In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buyback. In this regard, members of the Promoter and Promoter Group have expressed their intention vide their letters dated January 21, 2020 to participate in the Buyback and may tender up to their respective shareholding as on the Record Date or such lower number of Equity Shares in accordance with the provisions of the Buy-Back Regulations. The extent of their participation in the Buyback has been detailed in clause 9(III) of this DLOF.

- IX. The Promoter and Promoter Group of the Company hold 42.86% of Equity Shares in the total outstanding equity share capital of the Company. For details with respect to Promoter and Promoter Group shareholding post Buyback please refer Clause 13(VII) of this DLOF. Post Buyback the public shareholding of the Company shall not fall below the minimum level required as per Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

## **7. AUTHORITY FOR THE BUY BACK**

The Buyback is being undertaken in accordance with Article 60 of the Articles of Association of the Company, Sections 68, 69, 70 and other applicable provisions of the Companies Act read with applicable rules made thereunder and the Buy-back Regulations. The Buyback is subject to receipt of approvals, permissions and exemptions as may be required from time to time from BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE", and together with BSE, the "Stock Exchanges") where the Equity Shares of the Company are listed and such other approvals, permissions, consents, sanctions and exemptions of the statutory, regulatory or governmental authorities, as may be required under the applicable laws including the requirements pursuant to and in terms of Section 68(2)(c) of the Companies Act.

The Buy-back has been duly authorized by:

- i. Resolution passed by the Board of Directors at their meeting held on January 21, 2020.
- ii. A Special Resolution passed by the equity shareholders of the Company through Postal Ballot on March 9, 2020, the result of which was announced on March 10, 2020.

The notice of Postal Ballot dated January 21, 2020 along with the explanatory statement to the Special Resolution in respect of the Buy-back, containing the disclosures as required under Schedule I of the Buy-back Regulations, was sent to all the shareholders of the Company.

## **8. NECESSITY OF THE BUY BACK**

The Buyback is being undertaken by the Company to return surplus funds to its equity shareholders, which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, effective and cost-efficient manner. The Buyback is being undertaken for the following reasons:

- i. The Buy-back gives an option to the equity shareholders to either participate in the Buy-back and receive cash in lieu of Equity Shares accepted under the Buy-back or not participate in the Buy-back and enjoy a resultant increase in their percentage of shareholding in the Company post the Buy-back;
- ii. The Buyback would help in improving financial ratios by reducing the equity base of the Company; and
- iii. The Buy-back which is being implemented through the Tender Offer route as prescribed under the SEBI Buyback Regulations, would involve a reservation of 15% of the Buyback Size for small shareholders (as defined hereinabove)

## **9. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUY BACK ON THE COMPANY**

- I. 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 that the response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders up to their Buyback Entitlement, the funds deployed by the Company towards the Buyback would be ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crore Only) excluding any other expenses incurred or to be incurred for the Buyback like filing fees payable to the SEBI, advisor's fees, public announcement publication expenses, printing and dispatch expenses, and other incidental and related expenses.
- II. The Buyback will not in any manner impair the ability of the Company to pursue growth opportunities or meet its requirements for business operations.
- III. In terms of the Buyback Regulations, under the tender offer route, the Promoters and Promoter Group and Person Acting in Concert of the Company have the option to participate in the Buyback. In this regard, the Promoter and Promoter Group and persons in control of the Company have expressed their intention to participate in the Buyback and may tender up to

their respective shareholding as on the Record Date or such lower number of Equity Shares in accordance with the provisions of the Buy-Back Regulations.

Please see below the maximum number of Equity Shares proposed to be tendered by each of the Promoter and Promoter Group as well as persons in control of the Company:

Name of Shareholder	No. of Equity Shares
Krishna Prasad Chigurupati	9,03,29,927
Uma Devi Chigurupati	99,02,860
Priyanka Chigurupati	19,57,598
Pragnya Chigurupati	19,73,020
Suseela Devi Chigurupati	65,000
Santhi Sree Ramanavarapu	9,17,200
Tyche Investments Private Limited	38,07,096
Yedaguri Nikhila Reddy	29,500
<b>Total</b>	<b>10,89,82,201</b>

IV. Since the entire shareholding of the Promoters & Promoter Group participating in the Buyback is in demat mode, the details of the date and price of acquisition/sale of entire Equity Shares that the said Promoters & Promoter Group have acquired/sold till date as per the information provided by Promoters & Promoter Group, each vide their letters, dated January 21, 2020, except for Suseela Devi Chigurupati, who sent an updated letter dated March 10, 2020 are set-out below:

**A. Promoter and Promoter Group**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Total Consideration (₹)	Consideration
<b>Krishna Prasad Chigurupati</b>						
30-03-1994	Purchase	3,04,182	10	10.00	30,41,820	Cash
10-10-1994	Purchase	3,74,700	10	10.00	37,47,000	Cash
15-11-1995	Purchase	3,79,450	10	20.00	75,89,000	Cash
14-08-1996	Purchase	1,200	10	22.00	26,400	Cash
16-10-2000	Sale	77,400	10	23.00	17,80,200	Cash
09-06-2001	Shares on Merger*	13,63,667	10	-	-	Other than Cash
15-05-2002	Purchase	14,02,524	10	14.26	1,99,99,992	Cash
14-06-2002	Purchase	10,51,894	10	14.26	1,50,00,008	Cash
26-12-2002	Sale	10,000	10	29.00	2,90,000	Cash
30-12-2002	Sale	1,00,000	10	29.28	29,28,000	Cash
31-12-2002	Sale	1,45,000	10	30.28	43,90,600	Cash
01-01-2003	Sale	50,000	10	31.05	15,52,500	Cash
02-01-2003	Sale	2,00,000	10	35.92	71,84,000	Cash
03-01-2003	Sale	2,50,000	10	40.50	1,01,25,000	Cash
07-01-2003	Sale	1,00,000	10	40.10	40,10,000	Cash
08-01-2003	Sale	1,00,000	10	38.50	38,50,000	Cash
09-01-2003	Sale	45,000	10	38.15	17,16,750	Cash
13-05-2003	Sale	2,00,000	10	48.18	96,36,000	Cash
14-05-2003	Sale	3,00,000	10	50.73	1,52,19,000	Cash
19-01-2007	Purchase	1,94,037	10	102.50	1,98,88,793	Cash
26-03-2007	Transferred as Gift	42,000	10	-	-	Other than Cash
03-05-2007	Transferred as Gift	44,000	10	-	-	Other than Cash
19-06-2007	Purchase	10,00,180	10	102.50	10,25,18,450	Cash
03-04-2008	Purchase	50,000	10	90.98	45,49,000	Cash
03-05-2008	Purchase	25,000	10	90.64	22,66,000	Cash
03-07-2008	Purchase	7,000	10	86.71	6,06,970	Cash
13-03-2008	Purchase	4,000	10	83.75	3,35,000	Cash
14-03-2008	Purchase	4,736	10	81.08	3,83,995	Cash
17-03-2008	Purchase	4,000	10	79.25	3,17,000	Cash
18-03-2008	Purchase	264	10	71.97	19,000	Cash
28-03-2008	Sale	6,82,927	10	102.50	7,00,00,018	Cash
30-06-2008	Transferred as gift	50,000	10	-	-	Other than Cash
15-07-2008	Purchase	28,512	10	47.90	13,65,725	Cash

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Total Consideration (₹)	Consideration
16-07-2008	Purchase	5,18,960	10	50.00	2,59,48,000	Cash
17-07-2008	Purchase	2,778	10	52.96	1,47,123	Cash
18-07-2008	Purchase	2,061	10	52.96	1,09,151	Cash
28-07-2008	Purchase	642	10	52.96	34,000	Cash
29-07-2008	Purchase	2,420	10	52.96	1,28,163	Cash
30-07-2008	Purchase	3,27,565	10	52.96	1,73,47,842	Cash
06-10-2010	Purchase	55,000	10	103.24	56,78,200	Cash
12-10-2010	Purchase	2,50,000	10	107.38	2,68,45,000	Cash
13-10-2010	Purchase	75,000	10	106.20	79,65,000	Cash
01-11-2010	Purchase	1,67,173	10	92.17	1,54,08,335	Cash
03-11-2010	Purchase	2,877	10	92.97	2,67,475	Cash
15-02-2011	Purchase	4,043	10	92.17	3,72,643	Cash
16-02-2011	Purchase	3,438	10	92.17	3,16,880	Cash
17-02-2011	Purchase	10,987	10	90.47	9,93,994	Cash
24-03-2011	Purchase	1,50,000	10	92.41	1,38,61,500	Cash
29-03-2011	Purchase	2,90,000	10	93.00	2,69,70,000	Cash
10-05-2011	Purchase	2,20,000	10	91.00	2,00,20,000	Cash
30-03-2012	Purchase	6,53,700	10	79.09	5,17,01,133	Cash
02-07-2013	Purchase	9,33,364	10	130.33	12,16,45,330	Cash
12-08-2013	Purchase	4,511	10	132.78	5,98,971	Cash
24-03-2015	Split (from Rs. 10/- to Re. 1/-)	7,47,35,380	1	-	-	Other than Cash
31-10-2015	Purchase	40,95,230	1	84.91	34,77,25,979	Cash
12-02-2016	Received as gift	4,00,000	1	-	-	Other than Cash
16-02-2017	Sale	75,51,000	1	122.00	92,12,22,000	Cash
09-10-2017	Purchase	2,85,450	1	125.42	3,58,01,139	Cash
24-11-2017	Purchase	1,43,463	1	125.50	1,80,04,607	Cash
22-03-2018	Purchase	2,32,21,404	1	101.85	2,36,50,99,997	Cash
08-03-2019	Sale	50,00,000	1	101.08	50,54,00,000	Cash
	<b>Total</b>	<b>9,03,29,927</b>				
<b>Uma Devi Chigurupati</b>						
10-10-1994	Purchase	3,61,000	10	10.00	36,10,000	Cash
15-11-1995	Purchase	20,000	10	20.00	4,00,000	Cash
09-06-2001	Shares on Merger*	2,11,400	10	-	-	Other than Cash
21-05-2004	Purchase	1,65,600	10	83.00	1,37,44,800	Cash
24-03-2015	Split (from Rs. 10/- to Re. 1/-)	75,80,000	1	-	-	Other than Cash
09-10-2017	Purchase	30,000	1	126.27	37,88,100	Cash
24-11-2017	Purchase	15,200	1	125.40	19,06,080	Cash
20-12-2017	Received as gift	22,77,660	1	-	-	Other than Cash
	<b>Total</b>	<b>99,02,860</b>				
<b>Priyanka Chigurupati</b>						
18-07-1991	Purchase	1,875	10	10.00	18,750	Cash
13-02-1992	Purchase	25,000	10	10.00	2,50,000	Cash
20-02-1995	Purchase	2,500	10	10.00	25,000	Cash
15-11-1995	Purchase	5,750	10	20.00	1,15,000	Cash
09-06-2001	Shares on merger*	30,687	10	-	-	Other than Cash
21-05-2004	Purchase	82,800	10	83.00	68,72,400	Cash
26-03-2007	Received as gift	21,000	10	-	-	Other than Cash
30-06-2008	Received as gift	25,000	10	-	-	Other than Cash
24-03-2015	Split (from Rs. 10/- to Re. 1/-)	19,46,120	1	-	-	Other than Cash
03-11-2015	Purchase	150	1	147.41	22,112	Cash
08-12-2015	Purchase	101	1	147.41	14,888	Cash
18-12-2015	Purchase	385	1	156.02	60,068	Cash
06-05-2016	Purchase	300	1	126.21	37,863	Cash
23-05-2016	Purchase	300	1	129.12	38,736	Cash
01-09-2016	Purchase	542	1	129.02	69,929	Cash
10-01-2017	Purchase	2,500	1	104.80	2,62,000	Cash
03-10-2017	Purchase	3,500	1	114.00	3,99,000	Cash
11-06-2018	Purchase	3,700	1	80.85	2,99,145	Cash

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Total Consideration (₹)	Consideration
	<b>Total</b>	<b>19,57,598</b>				
<b>Pragnya Chigurupati</b>						
18-07-1991	Purchase	1,875	10	10.00	18,750	Cash
13-02-1992	Purchase	25,000	10	10.00	2,50,000	Cash
20-02-1995	Purchase	2,500	10	10.00	25,000	Cash
15-11-1995	Purchase	7,050	10	20.00	1,41,000	Cash
09-06-2001	Shares on Merger*	30,687	10	-	-	Other than Cash
21-05-2004	Purchase	82,800	10	83.00	68,72,400	Cash
26-03-2007	Received as gift	21,000		-	-	Other than Cash
30-06-2008	Received as gift	25,000		-	-	Other than Cash
24-03-2015	Split (from Rs. 10/- to Re. 1/-)	19,59,120			-	Other than Cash
20-11-2015	Purchase	400	1	150.28	60,112	Cash
10-01-2017	Purchase	4,800	1	104.41	5,01,168	Cash
02-11-2018	Purchase	3,875	1	103.74	4,01,993	Cash
16-11-2018	Purchase	4,825	1	100.73	4,86,022	Cash
	<b>Total</b>	<b>19,73,020</b>				
<b>Suseela Devi Chigurupati</b>						
02-11-1992	Purchase	100	10	10.00	1,000	Cash
20-02-1995	Purchase	1,500	10	10.00	15,000	Cash
15-11-1995	Purchase	12,300	10	20.00	2,46,000	Cash
20-02-2007	Purchase	1,100	10	100.85	1,10,935	Cash
16-02-2011	Purchase	1,000	10	92.17	92,170	Cash
21-11-2012	Purchase	500	10	158.50	79,250	Cash
14-02-2014	Transferred as gift	10,000	10	-	-	Other than Cash
11-07-2014	Received vide transmission	10,100	10	-	-	Other than Cash
24-03-2015	Split (from Rs. 10/- to Re. 1/-)	1,66,000	1	-	-	Other than Cash
17-02-2020	Transferred as gift**	1,01,000	1	-	-	Other than Cash
	<b>Total</b>	<b>65,000</b>				
<b>Shanthi Sree Ramanavarapu</b>						
30-10-2014	Received vide transmission	83,500	10	-	-	Other than Cash
10-11-2014	Purchase	200	10	781.90	1,56,380	Cash
24-11-2014	Purchase	100	10	785.50	78,550	Cash
24-03-2015	Split (from Rs. 10/- to Re. 1/-)	8,38,000			-	Other than Cash
29-07-2015	Purchase	10,000	1	118.84	11,88,400	Cash
21-08-2015	Purchase	1,000	1	124.42	1,24,420	Cash
24-08-2015	Purchase	4,000	1	115.85	4,63,400	Cash
25-08-2015	Purchase	1,800	1	103.23	1,85,814	Cash
31-08-2015	Purchase	10,000	1	125.43	12,54,300	Cash
02-09-2015	Purchase	3,000	1	121.06	3,63,180	Cash
03-09-2015	Purchase	5,000	1	122.17	6,10,850	Cash
04-09-2015	Purchase	10,000	1	117.85	11,78,500	Cash
08-09-2015	Purchase	1,600	1	106.54	1,70,464	Cash
10-09-2015	Purchase	100	1	110.12	11,012	Cash
15-09-2015	Purchase	2,000	1	115.85	2,31,700	Cash
16-09-2015	Purchase	5,000	1	116.00	5,80,000	Cash
21-09-2015	Purchase	1,500	1	121.14	1,81,710	Cash
22-09-2015	Purchase	7,000	1	132.65	9,28,550	Cash
23-09-2015	Purchase	3,000	1	134.36	4,03,080	Cash
24-09-2015	Purchase	3,400	1	142.78	4,85,452	Cash
10-11-2015	Purchase	5,000	1	145.58	7,27,900	Cash
04-12-2015	Purchase	2,500	1	154.70	3,86,750	Cash
07-12-2015	Purchase	2,500	1	155.81	3,89,525	Cash
09-12-2015	Purchase	800	1	149.67	1,19,736	Cash
	<b>Total</b>	<b>9,17,200</b>				
<b>Tyche Investments Private Limited</b>						
15-08-2001	Purchase	66,200	10	12.56	8,31,472	Cash
24-03-2015	Split (from Rs. 10/- to Re. 1/-)	6,62,000			-	Other than Cash
30-03-2016	Purchase	72,55,000	1	95.30	69,14,01,500	Cash

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	Total Consideration (₹)	Consideration
28-12-2016	Purchase	39,17,454	1	95.30	37,33,33,366	Cash
16-02-2017	Purchase	75,51,000	1	122.00	92,12,22,000	Cash
23-03-2017	Purchase	74,83,546	1	95.30	71,31,81,934	Cash
09-10-2017	Purchase	1,06,000	1	126.42	1,34,00,520	Cash
24-11-2017	Purchase	53,500	1	126.11	67,46,885	Cash
22-03-2018	Sale	2,32,21,404	1	101.85	2,36,50,99,997	Cash
	<b>Total</b>	<b>38,07,096</b>				
<b>Yedaguri Nikhila Reddy</b>						
30-12-2015	Purchase	29,500	1	149.80	44,19,100	Cash

\* Shares acquired upon merger of Triton Laboratories Limited

\*\*Letter dated March 10, 2020 received from Mrs. Suseela Devi Chigurupati indicating that 1,01,000 Equity Shares were transferred by way of a gift on February 17, 2020

- V. 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.
- VI. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Sellers up to their entitlement, the aggregate shareholding of the Promoters and Promoters Group after the completion of the Buyback shall become 43.06 % of the post-Buyback total paid-up equity share capital of the Company from 42.86 % of the pre-Buyback total paid-up equity share capital of the Company, and the aggregate shareholding of the public in the Company shall become 56.94 % of the post-Buyback total paid-up equity share capital of the Company from 57.14 % of the pre-Buyback total paid-up equity share capital of the Company.
- VII. The Buyback shall not result in a change in control or otherwise affect the existing management structure of the Company.
- VIII. The debt-equity ratio after the completion of the Buyback will be within the permissible limit of 2:1 prescribed by the Companies Act, even if the response to the Buyback is to the extent of 100% (full acceptance).
- IX. The Buyback is not expected to impact growth opportunities for the Company.
- X. In terms of the SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2020/69 dated April 23, 2020, the Company shall not raise further capital for a period six months from the closure of the buyback or any such period as may be specified by SEBI circulars / Regulations or any amendments thereof, as may be applicable.
- XI. The Company shall not issue new shares or any other specified securities including by way of bonus till the date of closure of the Buyback.
- XII. The Promoter and Promoter Group shall not deal in the Equity Shares of the Company, including any inter-se transfer of Equity Shares amongst the Promoters / Promoter Group for the period between the date of passing of the special resolution and the date of closure of the Buyback in accordance with the Buyback Regulations.
- XIII. The Salient Financial parameters pursuant to the Buyback based on standalone and consolidated audited financial statements prepared under Ind-AS for the latest financial year ended March 31, 2019 are as under:

#### Standalone

Particulars for the year ended March 31, 2019	Pre-Buyback	Post-Buyback
Net worth (₹ In Lakhs) <sup>(1),(8)</sup>	142,323.51	117,323.51
Return on Net worth (%) <sup>(2)</sup>	11.98%	13.20%
<b>Earnings per Equity Share</b>		
Basic (₹) <sup>(3),(8)</sup>	6.37	6.70
Diluted (₹) <sup>(4),(8)</sup>	6.35	6.68
Book value per Equity Share (₹) <sup>(5)</sup>	55.98	48.53
P/E as per latest audited financials <sup>(6)</sup>	17.97	17.09
Total Debt / Equity ratio <sup>(7)</sup>	0.70	0.84

#### Consolidated

Particulars for the year ended March 31, 2019	Pre-Buyback	Post-Buyback
Net worth (₹ In Lakhs) <sup>(1),(8)</sup>	152,947.31	127,947.31

Particulars for the year ended March 31, 2019	Pre-Buyback	Post-Buyback
Return on Net worth (%) <sup>(2)</sup>	16.69%	18.30%
<b>Earnings per Equity Share</b>		
Basic (₹) <sup>(3),(8)</sup>	9.30	9.78
Diluted (₹) <sup>(4),(8)</sup>	9.28	9.75
Book value per Equity Share (₹) <sup>(5)</sup>	60.16	52.93
P/E as per latest audited financials <sup>(6)</sup>	12.31	11.70
Total Debt / Equity ratio <sup>(7)</sup>	0.65	0.77

Below are the formulae used for computation of the above ratios:

1. Net Worth excludes revaluation reserves and miscellaneous expenditure to the extent not written off
2. Return on Net Worth = Profit After Tax/ average Net Worth
3. Basic Earnings per Share = Profit After Tax/ weighted average number of shares outstanding for the period
4. Diluted Earnings per Share = Profit After Tax/ weighted average number of diluted shares outstanding for the period
5. Book value per Share = Net Worth (excluding Revaluation Reserves)/ number of shares at the end of the period
6. P/E= market price/earnings per share. (Market price per Equity Share is taken as the closing price of equity share on NSE as at March 29, 2019 as applicable). The preceding trading day has been taken as there was no trading on March 31, 2019.
7. Total Debt / Equity Ratio is calculated as total debt divided by Networth (excluding revaluation reserves), where Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long-Term Borrowings (excluding lease obligations)
8. Post Buyback Figures are calculated after deducting the amount of the buyback (assuming full acceptance) or the number of shares (assuming full acceptance) from the numerator or denominator (as applicable) in the formulas below.

Financials for all other years/period have been extracted from their respective annual reports/interim financials.

## 10. BASIS OF CALCULATING THE BUYBACK PRICE

- I. The Equity Shares of the Company are proposed to be bought back at a price of ₹ 200 (Rupees Two Hundred only) per Equity Share.
- II. The Buyback Price of ₹ 200 (Rupees Two Hundred only) per Equity Share has been arrived at after considering various factors including, but not limited to (i) the trends in the volume weighted average prices of the Equity Shares on the Stock Exchanges where the Equity Shares are listed, (ii) the net worth of the Company, (iii) price earnings ratio, (iv) impact on other financial parameters and (v) the impact on the earnings per Equity Share.
- III. The Buyback Price represents a:
  - a. Premium of 55.35% and 55.56% over the volume weighted average market price of the equity shares on BSE and NSE, respectively, during the three months preceding the date of the board meeting to consider the proposal of the Buyback.
  - b. Premium of 43.65% and 43.02% over the volume weighted average market price of the equity shares on BSE and NSE, respectively, during the two weeks preceding the date of the board meeting to consider the proposal of the Buyback.
  - c. Premium of 35.92% and 35.87% over the closing market price of the equity shares on BSE and NSE, respectively, preceding the date of the board meeting to consider the proposal of the Buyback.
- IV. The closing market price the equity shares as on the date of intimation of the date of the Board Meeting for considering the Buy-back to the Stock Exchanges, being January 16, 2020, was ₹ 144.75 on BSE and ₹ 144.75 on NSE
- V. For Financial ratios and trends in the market price of the Equity Shares please refer to clause 15 & 16 of this Letter of Offer respectively.

## 11. SOURCES OF FUNDS FOR THE BUY BACK

- I. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buyback would be ₹250,00,00,000 (Rupees Two Hundred and Fifty Crores Only) excluding any expenses incurred or to be incurred for the Buyback like filing fees payable to SEBI, advisors fees, transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.
- II. The Buyback would be financed out of free reserves and/or such other sources as may be permitted by law through "Tender Offer" route and as required by the Buyback regulations and the Companies Act, and on such terms and conditions as the Board may deem fit. 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 financial statements.

- III. The Company has confirmed that the funds for the Buyback will be made available out of its internal accruals and not out of funds borrowed, if any, from banks and financial institutions.

## 12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- I. In accordance with the Regulation 9(xi) of the Buyback Regulations, the Company has appointed Axis Bank Limited as the Escrow Agent for the aforementioned Buyback. The Company, the Manager to the Offer and the Escrow Agent have entered into an Escrow Agreement dated March 10, 2020 pursuant to which the Escrow Account in the name and style "Granules Buyback of Equity Shares 2020-Escrow Account" bearing account number 920020018596105 has been opened with the Escrow Agent. The Manager has been empowered to operate the Escrow Account in accordance with the Buyback Regulations. In accordance with Regulation 9(xi) of the Buyback Regulations, the Company, on March 13, 2020, has deposited ₹ 40,00,00,000 (Rupees Forty Crores only) in the Escrow Account, being 25% up to ₹ 100 Crores (Rupees One Hundred Crores Only) and, 10% of the Rs. 150 Crores (Rupees Fifteen Crores Only) with Axis Bank Limited as required under Buy-back Regulations.
- II. The Company has adequate and firm financial resources to fulfil the obligations under the Buyback and the same has been certified by Dhanunjaya & Haranath, Chartered Accountants having its office at: #302, Wings, 8-3-960/6/2, Srinagar Colony, Hyderabad – 500 073, Telangana (Phone: +91 40 4020 5554/ 2374 0989, Firm Registration No.: 014288S, Partner: Dhanunjaya Kumar Alla, Membership No.: 206446) , vide a certificate dated March 7, 2020.
- III. Based on the aforementioned certificate, the Manager to the Buyback confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buyback are in place and that the Company has the ability to implement the Buyback in accordance with the Buyback Regulations.

## 13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

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

(Rupees in lacs)

Sr. No.	Particulars	Pre-Buyback
1	<b>Authorised Share Capital:</b>	
	50,50,00,000 Equity Shares of ₹ 1 each	5,050.00
2	<b>Issued, Subscribed and Paid-Up Capital:</b>	
	25,42,47,562 Equity Shares of ₹ 1 each fully paid-up	2,542.48
	<b>Total Paid-up Capital</b>	<b>2,542.48</b>

- II. Assuming full acceptance in the Buyback, the capital structure of the Company post Buyback would be as follows:

(Rupees in lacs)

Sr. No.	Particulars	Post- Buyback
1	<b>Authorised Share Capital:</b>	
	50,50,00,000 Equity Shares of ₹ 1 each	5,050.00
2	<b>Issued, Subscribed and Paid-Up Capital:</b>	
	24,17,47,562 Equity Shares of ₹ 1 each fully paid-up	2,417.48
	<b>Total Paid-up Capital</b>	<b>2,417.48</b>

- III. The Company has not done any buy back of shares in the past three financial years
- IV. There are no partly paid up equity shares.
- V. There are no outstanding instruments convertible into Equity Shares as on date of the issue of this Letter of Offer except for 1,50,000 Employee Stock Options that were outstanding under Granules India Limited - Employee Stock Option Scheme 2009.



VI. There are no amounts under calls in arrears.

VII. The shareholding pattern of the Company before the Buyback, i.e., as on the record date i.e. Friday, March 20, 2020 and after the Buyback (assuming full subscription of 1,25,00,000 shares in the Buyback), is as follows:

Category of shareholder	Pre Buyback		Post Buy Back <sup>(1)</sup>	
	Number of Shares	% to the existing Equity Share Capital	Number of Shares	% to the existing Equity Share Capital
Promoters and Promoter Group	10,89,82,201	42.86	10,41,05,016	43.06
Foreign Investors (including Non-Resident Indians/ FIIs/ Foreign Mutual Funds/Foreign Nationals)	5,88,28,827	23.14	13,76,42,546	56.94
Financial Institutions / Banks and Mutual Funds promoted by Banks / Institutions / NBFCs	87,57,271	3.44		
Others (Public, Bodies Corporate, etc.,)	7,76,79,263	30.55		
<b>Total</b>	<b>25,42,47,562</b>	<b>100.00</b>	<b>24,17,47,562</b>	<b>100.00</b>

(1) Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Eligible Sellers of the Equity Shares up to their Buyback entitlement

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

IX. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders up to their Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback may increase to 43.06% from 42.86% prior to the Buyback.

X. Assuming full acceptance of the Buyback, the issued, subscribed and paid up equity share capital of the Company would be ₹ 24,17,47,562 comprising 24,17,47,562 Equity Shares of ₹ 1 each fully paid-up, as more fully set out in clause 13 (II) of this Letter of Offer.

XI. No Equity Share was either purchased or sold by the Promoter and/ or Promoter Group, the directors of the Promoter and/ or Promoter Group where the Promoter/ Promoter Group is a company, and/ or persons acting in concert of the Company during twelve months preceding the date of the Public Announcement i.e. March 11, 2020 except the following:

Name	Aggregate number of equity shares purchased/ sold	Nature of Transaction	Maximum Price Per Share (Rs.)	Date of Maximum Price	Minimum Price Per Share (Rs.)	Date of Minimum Price
Suseela Devi Chigurupati	1,01,000*	Transferred as gift	NA	NA	NA	NA

\*1,01,000 Equity Shares were transferred by way of a gift on February 17, 2020

## 14. BRIEF INFORMATION OF THE COMPANY

### I. History of the Company

- The Company was incorporated as Granules India Private Limited on March 18, 1991 at Hyderabad, Telangana (erstwhile Andhra Pradesh), as a private limited company under the Companies Act, 1956. Subsequently, the name of our Company was changed to Granules India Limited due to conversion from a private company to a public company on February 8, 1993. The website of our Company is [www.granulesindia.com](http://www.granulesindia.com). The Corporate Identification Number of the Company is L24110TG1991PLC012471. The Registered and Corporate Office of our Company is at 2nd Floor, 3rd Block, My Home Hub, Madhapur, Hyderabad 500 081, Telangana, India.
- The Equity Shares were listed on the BSE (Scrip Code: 532482) on December 19, 2002 and the NSE (Symbol: GRANULES) on June 20, 2005.
- We are a pharmaceutical company headquartered in Hyderabad with over 25 years of operations. Our business covers the entire pharmaceutical industry value chain including active pharmaceutical ingredients ("APIs"), pharmaceutical formulation intermediates ("PFIs") and finished dosage formulations ("FDFs"). Our products are sold in more than 60 countries to over 250 customers.

- d) The promoter of the Company is Mr. Krishna Prasad Chigurupati. The promoter group of the Company includes, Mrs. Uma Devi Chigurupati, Ms. Priyanka Chigurupati, Ms. Pragnya Chigurupati, Mrs. Suseela Devi Chigurupati, Mrs. Santhi Sree Ramanavarapu, M/s. Tyche Investments Private Limited and Mrs. Yedaguri Nikhila Reddy.
- e) The Company has three subsidiaries, namely Granules USA, Inc., Granules Pharmaceuticals Inc. and Granules Europe Limited. Granules OmniChem Private Limited has ceased to be a joint venture of the Company with effect from May 29, 2020.

## II. Growth of Business

The total income of the Company, based on the standalone audited financial statements for the financial years ended March 31, 2017, 2018 and 2019 was ₹ 138,868.92 lakhs, ₹ 167,764.05 lakhs and ₹ 212,692.17 lakhs respectively. The total income of the Company, based on the standalone un-audited financial statements subjected to limited review, for the nine-month period ended December 31, 2019 was ₹ 183,268.76 lakhs.

## III. The details of changes in the share capital of the Company since incorporation as certified by the Company is as follows:

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative paid-up share capital (₹)
18-Mar-91	20	10.0	10.0	Cash	20	200
18-Jul-91	4,980	10.0	10.0	Cash	5,000	50,000
24-Mar-92	77,400	10.0	10.0	Cash	82,400	8,24,000
02-Nov-92	100	10.0	10.0	Cash	82,500	8,25,000
30-Mar-94	3,04,182	10.0	10.0	Cash	3,86,682	38,66,820
10-Oct-94	7,35,700	10.0	-	Other than cash	11,22,382	1,12,23,820
10-Oct-94	24,100	10.0	10.0	Cash	11,46,482	1,14,64,820
20-Feb-95	7,13,150	10.0	20.0	Cash	18,59,632	1,85,96,320
15-Nov-95	18,79,250*	10.0	20.0	Cash	36,99,882	3,69,98,820
09-Jun-01	16,67,334	10.0	-	Other than cash	53,67,216	5,36,72,160
24-May-02	14,02,524	10.0	14.3	Cash	67,69,740	6,76,97,400
14-Jun-02	10,51,894	10.0	14.3	Cash	78,21,634	7,82,16,340
19-Jan-04	45,980	10.0	14.0	Cash	78,67,614	7,86,76,140
28-Feb-04	20,000	10.0	14.0	Cash	78,87,614	7,88,76,140
21-May-04	4,14,000	10.0	83.0	Cash	83,01,614	8,30,16,140
02-Nov-04	77,076	10.0	89.0	Cash	83,78,690	8,37,86,900
20-Dec-04	55,670	10.0	14.0	Cash	84,34,360	8,43,43,600
31-Dec-04	1,22,765	10.0	107.0	Cash	85,57,125	8,55,71,250
20-Jan-05	37,61,007	10.0	100.5	Cash	1,23,18,132	12,31,81,320
13-Jan-06	42,820	10.0	14.0	Cash	1,23,60,952	12,36,09,520
11-Dec-06	19,620	10.0	14.0	Cash	1,23,80,572	12,38,05,720
19-Jan-07	1,94,037	10.0	102.5	Cash	1,25,74,609	12,57,46,090
04-Apr-07	21,80,067	10.0	105.5	Cash	1,47,54,676	14,75,46,760
04-Jun-07	22,11,200	10.0	105.5	Cash	1,69,65,876	16,96,58,760
14-Jun-07	20,57,578	10.0	118.1	Cash	1,90,23,454	19,02,34,540
19-Jun-07	10,00,180	10.0	102.5	Cash	2,00,23,634	20,02,36,340
30-Jul-07	17,500	10.0	73.0	Cash	2,00,41,134	20,04,11,340
29-Dec-07	16,020	10.0	14.0	Cash	2,00,57,154	20,05,71,540
30-Jul-11	4,500	10.0	45.0	Cash	2,00,61,654	20,06,16,540
31-May-12	9,500	10.0	45.0	Cash	2,00,71,154	20,07,11,540
25-Oct-12	50,000	10.0	45.0	Cash	2,01,21,154	20,12,11,540
23-Jan-13	5,000	10.0	45.0	Cash	2,01,26,154	20,12,61,540
25-Apr-13	5,000	10.0	91.0	Cash	2,01,31,154	20,13,11,540
12-Jun-13	16,000	10.0	91.0	Cash	2,01,47,154	20,14,71,540
11-Jul-13	70,000	10.0	45.0	Cash	2,02,17,154	20,21,71,540
11-Jul-13	2,000	10.0	91.0	Cash	2,02,19,154	20,21,91,540
02-Aug-13	11,000	10.0	91.0	Cash	2,02,30,154	20,23,01,540
13-Aug-13	9,000	10.0	91.0	Cash	2,02,39,154	20,23,91,540
31-Aug-13	13,000	10.0	91.0	Cash	2,02,52,154	20,25,21,540
16-Oct-13	5,000	10.0	140.0	Cash	2,02,57,154	20,25,71,540
31-Dec-13	24,000	10.0	91.0	Cash	2,02,81,154	20,28,11,540
10-Apr-14	32,000	10.0	91.0	Cash	2,03,13,154	20,31,31,540

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative paid-up share capital (₹)
02-Jun-14	25,000	10.0	91.0	Cash	2,03,38,154	20,33,81,540
02-Jun-14	2,000	10.0	155.0	Cash	2,03,40,154	20,34,01,540
18-Jun-14	16,000	10.0	91.0	Cash	2,03,56,154	20,35,61,540
18-Jul-14	2,000	10.0	155.0	Cash	2,03,58,154	20,35,81,540
14-Aug-14	5,000	10.0	140.0	Cash	2,03,63,154	20,36,31,540
14-Aug-14	6,000	10.0	91.0	Cash	2,03,69,154	20,36,91,540
01-Sep-14	40,000	10.0	91.0	Cash	2,04,09,154	20,40,91,540
19-Nov-14	16,000	10.0	91.0	Cash	2,04,25,154	20,42,51,540
24-Mar-15	<b>20,42,51,540<sup>#</sup></b>	<b>1.0</b>	<b>NA</b>	<b>Share Split</b>	20,42,51,540	20,42,51,540
11-May-15	90,000	1.0	31.5	Cash	20,43,41,540	20,43,41,540
11-May-15	2,00,000	1.0	14.0	Cash	20,45,41,540	20,45,41,540
11-May-15	20,000	1.0	9.1	Cash	20,45,61,540	20,45,61,540
11-Jun-15	1,60,000	1.0	9.1	Cash	20,47,21,540	20,47,21,540
11-Jun-15	40,000	1.0	31.5	Cash	20,47,61,540	20,47,61,540
28-Aug-15	1,50,000	1.0	14.0	Cash	20,49,11,540	20,49,11,540
28-Aug-15	1,22,232	1.0	9.1	Cash	20,50,33,772	20,50,33,772
28-Aug-15	1,40,000	1.0	31.5	Cash	20,51,73,772	20,51,73,772
31-Oct-15	40,95,230	1.0	84.9	Cash	20,92,69,002	20,92,69,002
31-Oct-15	10,000	1.0	31.5	Cash	20,92,79,002	20,92,79,002
10-Dec-15	77,768	1.0	9.1	Cash	20,93,56,770	20,93,56,770
01-Feb-16	60,000	1.0	31.5	Cash	20,94,16,770	20,94,16,770
25-Feb-16	40,000	1.0	9.1	Cash	20,94,56,770	20,94,56,770
30-Mar-16	72,55,000	1.0	95.3	Cash	21,67,11,770	21,67,11,770
09-Jun-16	2,20,000	1.0	31.5	Cash	21,69,31,770	21,69,31,770
09-Jun-16	60,000	1.0	9.1	Cash	21,69,91,770	21,69,91,770
31-Aug-16	20,000	1.0	9.1	Cash	21,70,11,770	21,70,11,770
31-Aug-16	50,000	1.0	14.0	Cash	21,70,61,770	21,70,61,770
31-Aug-16	60,000	1.0	31.5	Cash	21,71,21,770	21,71,21,770
27-Sep-16	40,000	1.0	31.5	Cash	21,71,61,770	21,71,61,770
10-Nov-16	40,000	1.0	31.5	Cash	21,72,01,770	21,72,01,770
10-Nov-16	1,00,000	1.0	14.0	Cash	21,73,01,770	21,73,01,770
28-Dec-16	39,17,454	1.0	95.3	Cash	22,12,19,224	22,12,19,224
23-Feb-17	74,83,546	1.0	95.3	Cash	22,87,02,770	22,87,02,770
29-May-17	60,000	1.0	9.1	Cash	22,87,62,770	22,87,62,770
29-May-17	40,000	1.0	31.5	Cash	22,88,02,770	22,88,02,770
13-Jul-17	50,000	1.0	31.5	Cash	22,88,52,770	22,88,52,770
07-Sep-17	1,10,000	1.0	31.5	Cash	22,89,62,770	22,89,62,770
07-Sep-17	50,000	1.0	14.0	Cash	22,90,12,770	22,90,12,770
26-Sep-17	2,47,54,792 <sup>^</sup>	1.0	121.3	Cash	25,37,67,562	25,37,67,562
09-Nov-17	50,000	1.0	9.1	Cash	25,38,17,562	25,38,17,562
16-Feb-18	20,000	1.0	31.5	Cash	25,38,37,562	25,38,37,562
21-Jun-18	75,000	1.0	9.1	Cash	25,39,12,562	25,39,12,562
21-Jun-18	1,80,000	1.0	31.5	Cash	25,40,92,562	25,40,92,562
21-Sep-18	80,000	1.0	31.5	Cash	25,41,72,562	25,41,72,562
31-Oct-18	75,000	1.0	9.1	Cash	25,42,47,562	25,42,47,562

**Notes:**

\* Out of 1,879,250 equity shares of face value of ₹ 10 each allotted by our Company, 39,000 equity shares of face value of ₹ 10 each were forfeited by our Company on April 11, 2000.

# The sub-division of the face value of the equity shares of our Company having a face value of ₹ 10 each to a face value of ₹ 1 each was approved pursuant to a resolution passed by our Board on January 28, 2015 and our shareholders on February 27, 2015, with effect from March 24, 2015.

<sup>^</sup> Shares allotted in the Qualified Institutions Placement

IV. The Details of the Board of Directors of the Company as on date of this Letter of Offer are as follows:

S. no.	Name of the Director	Designation	Qualification	Occupation	Date of Appointment	Directorship in other Companies
1	Mr. Krishna Prasad Chigurupati	Chairman & Managing Director		Business	31-08-1994	1. Santhi Surgery Pvt Ltd 2. Tyche Investments Pvt Ltd 3. Krsma Estates Pvt Ltd 4. Krsma Vineyards Pvt Ltd 5. Granules Omnichem Pvt Ltd* 6. Chigurupati Vineyards Pvt Ltd 7. Chigurupati Estates Pvt Ltd 8. Chigurupati Agrotech Pvt Ltd
2	Mrs. Uma Devi Chigurupati	Executive Director	PG-Botany (Nagarjuna University)	Business	31-05-2012	1. Tyche Investments Pvt Ltd 2. Krsma Estates Pvt Ltd 3. Krsma Vineyards Pvt Ltd 4. Chigurupati Vineyards Pvt Ltd 5. Chigurupati Estates Pvt Ltd 6. Chigurupati Agrotech Pvt Ltd
3	Mr. Arun Rao Akinepally	Independent Director	B.Tech (Madras University); M.S. (IIT, Chicago)	Business	27-04-2010	1. Sanzyme Pvt Ltd 2. ESPI Industries & Chemicals Pvt Ltd 3. Akin Laboratories Pvt Ltd
4	Mr. Harsha Chigurupati	Executive Director	B.Sc (Boston University)	Business	26-07-2010	1. Granules Omnichem Pvt Ltd* 2. Chigurupati Technologies Pvt Ltd
5	Mr. Arun Sawhney	Independent Director	PGDM (IMI)	Freelance Consultant	29-10-2018	None
6	Mr. Kolli Basava Sankar Rao	Non-Executive, Non-Independent Director	PG (Andhra University)	Business	19-02-2013	1. Raje Retail Pvt Ltd
7	Mrs. Jyothi Prasad	Independent Director	PGDM (IIM-A); M.Com; LLB	Consultant	01-04-2019	1. Karvy Stock Broking Limited 2. Karvy Financial Services Limited 3. Krishna Institute Of Medical Sciences Ltd 4. Shivam Autotech Ltd
8	Mr. Robert George Cunard	Independent Director	B.Arts (University of Pittsburgh)	Consultant	29-01-2019	None

\* Mr. Krishna Prasad Chigurupati and Mr. Harsha Chigurupati have resigned from directorship of Granules Omnichem Pvt Ltd with effect from the close of business hours on May 29, 2020.

- V. The details of changes in the Board of Directors during the last 3 years preceding the date of the Public Announcement i.e. March 11, 2020 are as under:

S. No.	Name of the Director	Designation	Details of Change	Reasons for Changes
1.	Mrs. Jyothi Prasad	Independent Director	Appointment w.e.f 01.04.2019	Appointed as Director in the capacity of Independent Director
2.	Mr. Robert George Cunard	Independent Director	Appointment w.e.f. 29.01.2019	Appointed as Director in the capacity of Independent Director
3.	Mr. Arun Sawhney	Independent Director	Appointment w.e. f. 29.10.2018	Appointed as Director in the capacity of Independent Director
4.	Dr. V. V. N. K. V. Prasada Raju	Executive Director	Ceased to be a director w.e.f 29.01.2019	Resignation due to personal reasons
5.	Mr. L. S. Sarma	Independent Director	Ceased to be a director w.e.f 01.04.2019	Expiry of Term (up to March 31, 2019)
6.	Mr. A. P. Kurian	Independent Director	Ceased to be a director w.e.f 01.04.2019	Expiry of Term (up to March 31, 2019)
7.	Mr. C. Parthasarathy	Independent Director	Ceased to be a director w.e.f 26.12.2019	Resignation due to personal reasons
8.	Dr. Krishna Murthy Ella	Independent Director	Ceased to be a director w.e.f 01.04.2019	Expiry of Term (up to March 31, 2019)

- VI. The Buyback will not result in any benefit to any Director of the Company/ Promoter and Promoter Group/ Person Acting in Concert of the Company/ group companies except to the extent of their intention to participate 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 may lead to a reduction in the equity share capital post Buyback.

## 15. FINANCIAL INFORMATION ABOUT THE COMPANY

- I. The salient financial information of the Company as extracted from the audited results for the last three years are as given below (as per Ind-AS) and from the un-audited financial statements subjected to limited review, for the six-month period ended September 30, 2019:

### Standalone

(Rupees in lakhs, unless otherwise stated)

Particulars	For the 6 months ended	Year Ended March 31,		
	September 30, 2019 (Limited Reviewed)	2019	2018	2017
<b>Total Income</b>	<b>121,250.83</b>	<b>212,692.17</b>	<b>167,764.05</b>	<b>138,868.92</b>
<b>Total Expenses</b>	<b>101,144.66</b>	<b>188,521.49</b>	<b>146,918.76</b>	<b>118,188.60</b>
Finance Costs <sup>a</sup>	1,349.93	2,836.02	3,292.70	3,216.41
Depreciation and amortization	5,025.25	9,077.21	7,591.64	7,135.16
<b>Profit before tax</b>	<b>20,106.17</b>	<b>24,170.68</b>	<b>20,845.29</b>	<b>20,680.32</b>
Provision for tax (including Deferred Tax)	4,721.14	7,986.63	6,929.10	6,397.65
<b>Profit/ (Loss) after tax<sup>b</sup></b>	<b>15,385.03</b>	<b>16,184.05</b>	<b>13,916.19</b>	<b>14,282.67</b>
Equity Share Capital	2,542.48	2,542.48	2,538.38	2,287.03
Reserves & Surplus <sup>c</sup>	153,813.49	139,781.03	125,281.43	86,148.58
<b>Net worth<sup>d</sup></b>	<b>156,355.97</b>	<b>142,323.51</b>	<b>127,819.81</b>	<b>88,435.61</b>
Total debt <sup>e</sup>	92,743.64	99,117.94	97,844.13	65,648.75

#### Notes:

- Finance Costs from Statement of Profit and Loss
- Before Other comprehensive income
- Other equity from Balance sheet
- Equity share capital and other equity from Balance sheet
- Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings excluding lease obligations  
Financials for all other years/period have been extracted from their respective annual reports/interim financials.

### Consolidated

(Rupees in lakhs, unless otherwise stated)

Particulars	For the 6 months ended	Year Ended March 31,		
	September 30, 2019 (Limited Reviewed)	2019	2018	2017
<b>Total Income</b>	<b>130,533.27</b>	<b>230,588.03</b>	<b>170,269.10</b>	<b>144,517.87</b>
<b>Total Expenses</b>	<b>110,529.78</b>	<b>202,910.41</b>	<b>152,268.94</b>	<b>124,018.44</b>
Finance Costs <sup>a</sup>	1,372.48	2,846.07	3,305.98	3,225.63
Depreciation and amortization	5,898.91	10,548.34	7,620.20	7,151.27
<b>Profit before tax<sup>b</sup></b>	<b>22,552.58</b>	<b>32,551.94</b>	<b>19,598.97</b>	<b>22,972.03</b>
Provision for tax (including Deferred Tax)	4,649.09	8,911.09	6,339.85	6,520.13
<b>Profit/ (Loss) after tax<sup>c</sup></b>	<b>17,903.49</b>	<b>23,640.85</b>	<b>13,259.12</b>	<b>16,451.91</b>
Equity Share Capital	2,542.48	2,542.48	2,538.38	2,287.03
Reserves & Surplus <sup>d</sup>	167,534.17	150,404.83	127,879.21	88,072.51
<b>Net worth<sup>e</sup></b>	<b>170,076.65</b>	<b>152,947.31</b>	<b>130,417.59</b>	<b>90,359.54</b>
Total debt (excluding working capital loans) <sup>f</sup>	92,743.64	99,117.94	97,844.13	65,648.75

#### Notes:

- Finance Costs from Statement of Profit and Loss
- Profit before tax includes share of profit of joint venture and associate
- Before Other comprehensive income
- Other equity from Balance sheet
- Equity share capital and other equity from Balance sheet
- Long Term Borrowing + Short Term Borrowings + Current Maturities of Long Term Borrowings excluding lease obligations  
Financials for all other years/period have been extracted from their respective annual reports/interim financials.

## II. Key financial ratios:

### Standalone

Particulars	For the 6 months ended	As at and for the year ended March 31		
	September 30, 2019 (Limited Reviewed)	2019	2018	2017
Net worth (₹ In Lakhs) <sup>(1)</sup>	156,355.97	142,323.51	127,819.81	88,435.61
Return on Net worth (%) <sup>(2)</sup>	10.3%*	11.98%	12.87%	18.44%
<b>Earnings per Equity Share</b>				
Basic (₹) <sup>(3)</sup>	6.05*	6.37	5.76	6.53
Diluted (₹) <sup>(4)</sup>	6.04*	6.35	5.74	6.49
Book value per Equity Share (₹) <sup>(5)</sup>	61.50	55.98	50.35	38.67
Total Debt / Equity ratio <sup>(6)</sup>	0.59	0.70	0.77	0.74

\* Not annualized

1. Net Worth excludes revaluation reserves and miscellaneous expenditure to the extent not written off (Other equity from Balance sheet)
2. Return on Net Worth = Profit After Tax/ Average Net Worth
3. Basic Earnings per Share = Profit After Tax/ weighted average number of shares outstanding for the period
4. Diluted Earnings per Share = Profit After Tax/ weighted average number of diluted shares outstanding for the period
5. Book value per Share = Net Worth (excluding Revaluation Reserves)/ Number of Shares at the end of the period
6. Total Debt / Equity Ratio is calculated as total debt divided by Networth (excluding revaluation reserves), where Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long-Term Borrowings (excluding lease obligations)

**Financials for all other years/period have been extracted from their respective annual reports/interim financials.**

### Consolidated

Particulars	For the 6 months ended	As at and for the year ended March 31		
	September 30, 2019 (Limited Reviewed)	2019	2018	2017
Net worth (₹ In Lakhs) <sup>(1)</sup>	170,076.65	152,947.31	130,417.59	90,359.54
Return on Net worth (%) <sup>(2)</sup>	11.08%*	16.69%	12.01%	21.02%
<b>Earnings per Equity Share</b>				
Basic (₹) <sup>(3)</sup>	7.04*	9.30	5.49	7.52
Diluted (₹) <sup>(4)</sup>	7.03*	9.28	5.47	7.48
Book value per Equity Share (₹) <sup>(5)</sup>	66.89	60.16	51.38	39.51
Total Debt / Equity ratio <sup>(6)</sup>	0.55	0.65	0.75	0.73

\* Not annualized

1. Net Worth excludes revaluation reserves and miscellaneous expenditure to the extent not written off (Other equity from Balance sheet)
2. Return on Net Worth = Profit After Tax/ Average Net Worth
3. Basic Earnings per Share = Profit After Tax/ weighted average number of shares outstanding for the period
4. Diluted Earnings per Share = Profit After Tax/ weighted average number of diluted shares outstanding for the period
5. Book value per Share = Net Worth (excluding Revaluation Reserves)/ Number of Shares at the end of the period
6. Total Debt / Equity Ratio is calculated as total debt divided by Networth (excluding revaluation reserves), where Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long-Term Borrowings (excluding lease obligations)

**Financials for all other years/period have been extracted from their respective annual reports/interim financials.**

- III. The debt equity ratio of the Company post Buyback shall be compliant with the permissible limit under the Companies Act. Relevant financial parameters consequent to the Buyback based on the standalone and consolidated audited financial statements as on March 31, 2019, of the Company are as under:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Pre-Buyback	Post-Buyback	Pre-Buyback	Post-Buyback
Net Worth	1,42,323.51	1,17,323.51	1,52,947.31	1,27,947.31
Total Debt	99,117.94	99,117.94	99,117.94	99,117.94
Total Debt / Equity Ratio (Total Debt / Net worth)	0.70	0.84	0.65	0.77

#### Note:

- a. For the above purpose, "Networth" means the aggregate value of the paid-up share capital and all reserves created out of the Securities premium, Capital reserve, General reserve, Employee stock option, Retained earnings, Remeasurements of defined benefit plans, Cash flow hedge reserve, Foreign currency translation reserve.

- b. *Total Debt / Equity Ratio is calculated as total debt divided by Networth (excluding revaluation reserves), where Total Debt = Long Term Borrowing + Short Term Borrowings + Current Maturities of Long-Term Borrowings (excluding lease obligations)*
- IV. The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, wherever and if applicable. The Company hereby declares that it has complied with Sections 68, 69 and 70 and other applicable provisions of the Companies Act, 2013.

## 16. STOCK MARKET DATA

- I. The Equity Shares are currently listed and traded only on BSE and NSE.
- II. The high, low and average market prices in preceding three financial years and the monthly high, low and average market prices for the six months preceding the date of publication of Public Announcement and the corresponding volumes on NSE (stock exchange with higher traded volume of Company's Equity Shares over past six months from the date of the Public Announcement) are as follows:

Period	High Price (₹)	Date of High Price & Number of shares traded on that date	Low Price (₹)	Date of Low Price & Number of shares traded on that date	Average Price (₹)	Total Volume Traded in the period (No. of shares)
<b>PRECEDING 3 YEARS</b>						
FY17	151.00	14-Jul-16 [1,830,016]	91.45	09-Nov-16 [59,06,142]	125.52	335,016,715
FY18	157.25	18-May-17 [4,755,607]	101.25	11-Aug-17 [32,95,916]	131.23	481,745,479
FY19	123.40	10-Sep-18 [3,337,296]	71.55	05-Jun-18 [30,10,049]	96.72	756,849,127
<b>PRECEDING 6 MONTHS</b>						
Feb-20	189.00	19-Feb-20 [3,255,111]	136.15	01-Feb-20 [738,035]	165.91	38,922,031
Jan-20	161.10	23-Jan-20 [6,136,199]	120.20	06-Jan-20 [504,687]	138.71	58,922,611
Dec-19	133.40	16-Dec-19 [1,326,115]	118.85	09-Dec-19 [1,067,602]	126.05	20,453,835
Nov-19	135.90	28-Nov-19 [3,886,838]	117.00	13-Nov-19 [819,857]	125.03	28,747,787
Oct-19	133.75	30-Oct-19 [1,838,460]	95.00	17-Oct-19 [348,951]	110.20	30,981,305
Sep-19	109.75	23-Sep-19 [596,111]	89.40	03-Sep-19 [246,718]	100.69	11,477,823

**Source:** nseindia.com

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

In cases where the price (high and low) is the same on more than one day, the day with the maximum trading volume has been disclosed

- III. The high, low and average market prices in preceding three financial years and the monthly high, low and average market prices for the six months preceding the date of publication of Public Announcement and the corresponding volumes on BSE are as follows:

Period	High Price (₹)	Date of High Price & Number of shares traded on that date	Low Price (₹)	Date of Low Price & Number of shares traded on that date	Average Price (₹)	Total Volume Traded in the period (No. of shares)
<b>PRECEDING 3 YEARS</b>						
FY17	151.15	14-Jul-16 [301,025]	91.45	09-Nov-16 [786,632]	125.47	40,952,156
FY18	157.00	18-May-17 [546,431]	101.00	26-Mar-18 [185,449]	131.20	47,165,350
FY19	123.35	10-Sep-18 [306,182]	71.75	05-Jun-18 [180,105]	96.64	69,608,543
<b>PRECEDING 6 MONTHS</b>						
Feb-20	188.85	19-Feb-20 [189,540]	136.75	01-Feb-20 [47,261]	165.92	2,260,551
Jan-20	161.00	23-Jan-20 [312,870]	120.20	06-Jan-20 [24,183]	138.66	3,573,468
Dec-19	133.05	16-Dec-19 [51,176]	119.10	02-Dec-19 [61,380]	126.05	1,062,457
Nov-19	135.85	28-Nov-19 [282,050]	117.30	13-Nov-19 [40,165]	125.04	1,830,657
Oct-19	133.55	30-Oct-19 [299,062]	93.00	15-Oct-19 [40,949]	110.14	4,161,187
Sep-19	109.80	24-Sep-19 [41,189]	89.55	03-Sep-19 [15,956]	100.67	766,667

**Source:** bseindia.com

**Note:** High and Low price for the period are based on intraday prices and Average Price is based on average of closing price.

In cases where the price (high and low) is the same on more than one day, the day with the maximum trading volume has been disclosed

- IV. The closing market price of the Equity Shares one working day prior to the date of the Board Meeting for approving the Buyback, being January 20, 2020 was ₹ 147.20 on NSE and ₹ 147.15 on BSE.

## 17. DETAILS OF THE STATUTORY APPROVALS

- I. The Buyback is subject to approvals, if any, required under the provisions of the Companies Act, the Buyback Regulations, SEBI, and such other applicable rules and regulations for the time being in force. The shareholders shall be solely responsible for obtaining all such statutory consents and approvals (including, without limitation the approvals from the RBI and/or the SEBI, if any) as may be required by them in order to tender their Equity Shares to the Company pursuant to the Buyback. Shareholders would be required to provide copies of all such consents and approvals obtained by them to the Company's Broker. As on date, there are no other statutory or regulatory approvals required to implement the Buyback other than those indicated above.
- II. Buyback from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. Non-Resident Indians ("NRI") must obtain all approvals required to tender the Equity Shares held by them in this Buyback (including without limitation the approval from the RBI). It is the obligation of such non-resident shareholders, NRI, OCB shareholders, to obtain such approvals and submit such approvals along with the tender form, so as to enable them to tender Equity Shares in the buyback and for the Company to purchase such Equity Shares, tendered. The Company will have the right to make payment to the Eligible Sellers in respect of whom no prior RBI approval is required and not accept Equity Shares from the Eligible Sellers in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted. By agreeing to participate in the Buyback, the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required and necessary, and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company
- III. If any statutory or regulatory approvals become applicable subsequently, the Buyback will be subject to such statutory or regulatory approvals. In the event that the receipt of any statutory/ regulatory approvals are delayed, changes to the proposed timetable of the Buyback, if any, shall be intimated to BSE and NSE.

## 18. DETAILS OF THE REGISTRAR TO THE BUY BACK AND INVESTOR SERVICE CENTRE:

Eligible Sellers who wish to tender their Equity Shares in the Buyback are requested to submit their Form(s) and requisite documents either by registered post/ courier to the Registrar to the Buyback, super scribing the envelope as "**Granules India Limited Buyback Offer 2020**", or hand deliver the same to the head office of the Registrar.

### I. Registrar to the Buyback

#### **KFin Technologies Private Limited**

Selenium, Tower B Plot No. 31-32, Financial District Nanakramguda, Srilingampally

Hyderabad Rengareddi 500 032 Telangana, India

Tel: +91 40 6716 2222 Fax: +91 40 2343 1551 | E-mail: gil.buyback2020@kfintech.com

Investor grievance e-mail: einward.ris @kfintech.com | Website: www.kfintech.com

Contact Person: M. Murali Krishna

SEBI Registration No.: INR000000221

CIN: U72400TG2017PTC117649

In case of any query, the Shareholders may contact the Registrar to the Buyback, from Monday to Friday between 10:00 AM to 5:00 PM on all working days except public holidays at the above-mentioned address.

**ELIGIBLE SELLERS ARE REQUESTED TO NOTE THAT THE TENDER FORM, TRS AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUYBACK**

**ELIGIBLE SHAREHOLDERS WHO HAVE DEMATERIALIZED THEIR PHYSICAL EQUITY SHARE CERTIFICATES POST THE RECORD DATE AND TENDERED THEIR DEMATERIALIZED EQUITY SHARES IN THE BUYBACK MAY DELIVER THE TENDER FORM DULY SIGNED (BY ALL ELIGIBLE SHAREHOLDERS IN CASE SHARES ARE IN JOINT NAMES) IN THE SAME ORDER IN WHICH THEY HOLD THE EQUITY SHARES, ALONG WITH TRS GENERATED BY THE STOCK EXCHANGE BIDDING SYSTEM UPON PLACING OF A BID, EITHER BY REGISTERED POST, SPEED POST OR COURIER OR HAND DELIVERY TO THE REGISTRAR TO THE BUYBACK AT THE ABOVE ADDRESS, SO THAT THE SAME ARE RECEIVED NOT LATER THAN 2 (TWO) DAYS OF BUYBACK CLOSING DATE BY 5:00 P.M. THE ENVELOPE SHOULD BE SUPER SCRIBED AS "GRANULES INDIA LIMITED BUYBACK OFFER 2020"**



## 19. PROCESS AND METHODOLOGY FOR THE BUYBACK

- I. The Company proposes to Buyback not exceeding 1,25,00,000 fully paid-up Equity Shares from the Equity Shareholders as on the Record Date, on a proportionate basis, through the tender offer route at a price of ₹ 200 (Rupees Two Hundred only) per Equity Share, payable in cash for an aggregate amount of ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crore only). The maximum number of Equity Shares proposed to be bought back represents 4.92% of the total paid-up equity share capital of the Company. The Buyback is in accordance with the provisions of Section 68, 69, 70 and other applicable provisions, if any, of the Companies Act and in accordance with Article 60 of the Articles of Association of the Company and subject to Regulation 4(iv) and other applicable provisions contained in the Buyback Regulations and such other approvals, permissions and exemptions as may be required, from time to time from statutory authorities and/ or regulatory authorities, including but not limited to SEBI. The Buyback Size is 17.90% of the fully paid-up equity share capital and free reserves as per the latest audited standalone balance sheet of the Company for the financial year ended March 31, 2019 and 16.83% of the fully paid-up equity share capital and free reserves as per the latest audited consolidated balance sheet of the Company for the financial year ended March 31, 2019.
- II. The aggregate shareholding of the Promoter and Promoter Group as at the date of the Public Announcement i.e. March 11, 2020 is 10,89,82,201 Equity Shares which represents 42.86% of the existing equity share capital of the Company. In terms of the Buy-Back Regulations, under the tender offer route, the Promoter and Promoter Group and persons in control have an option to participate in the Buyback. In this regard, the Promoter and Promoter Group and persons in control of the Company have expressed their intention to participate in the Buyback and may tender up to their respective shareholding as on the Record Date or such lower number of Equity Shares in accordance with the provisions of the Buy-Back Regulations.
- III. Assuming response to the Buyback is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buyback Entitlement, the aggregate shareholding of the Promoter and Promoter Group post the Buyback may increase to 43.06% from 42.86% prior to the Buyback.
- IV. The Company expresses no opinion as to whether Eligible Shareholders should participate in the Buyback or not and, accordingly, Eligible Shareholders are advised to consult their own advisors to consider participation in the Buyback.
- V. **Record Date and Ratio of Buyback as per the Buyback Entitlement in each Category:**
  - a. The Buyback Committee of the Board in its meeting held on Tuesday, March 10, 2020 announced Friday, March 20, 2020 as Record Date for the purpose of determining the Buyback Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buyback.
  - b. The Equity Shares to be bought back as a part of this Buyback are divided into two categories:
    - i. Reserved category for Small Shareholders ("Reserved Category"); and
    - ii. General Category for other Eligible Sellers ("General Category").
  - c. As defined in the Buyback Regulations, Small Shareholder includes a shareholder, who holds shares whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than Two Lakh Rupees. As on Record Date, the closing price on NSE i.e. the Stock Exchange having the highest trading volume, was ₹ 138.60. Accordingly all Shareholders holding not more than 1443 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 82,088 Small Shareholders in the Company with aggregate shareholding of 1,68,28,637 Equity Shares as on the Record Date, which constitutes 6.62% of the outstanding number of Equity Shares of the Company and 134.63% of the maximum number of Equity Shares which the Company proposes to buy back as a part of this Buyback.
  - e. In compliance with Regulation 6 of the Buyback Regulations, the reservation for the Small Shareholders, will be higher of:
    - (i) Fifteen percent of the number of Equity Shares which the Company proposes to Buyback i.e. 15% of 1,25,00,000 Equity Shares which works out to 18,75,000 Equity Shares; or
    - (ii) The number of Equity Shares entitled as per their shareholding as on Record Date i.e.  $(1,68,28,637/25,42,47,562) \times (1,25,00,000)$  which works out to be 827,375 Equity Shares.

- f. All the outstanding fully paid-up Equity Shares have been used for computing the Buyback Entitlement of Small Shareholders since the Promoter and Promoter Group also intend to offer Equity Shares held by them in the Buyback.
- g. Based on the above and in accordance with Regulation 6 of the Buyback Regulations, 18,75,000 (Rounded off) fully paid-up Equity Shares have been reserved for Small Shareholders. Accordingly, General Category for all other Equity Shareholders shall consist of 1,06,25,000 Equity Shares.
- h. Based on the above Buyback Entitlements, the ratio of Buyback for both categories is decided as below:

Category of Shareholders	Ratio of Buyback
Reserved category for Small Shareholders	1 Equity Shares out of every 9 fully paid-up Equity Shares held on the Record Date.
General category for all other Equity Shareholders	3 Equity Shares out of every 67 fully paid-up Equity Shares held on the Record Date.

*\*The above Ratio of Buyback is approximate and providing indicative Buyback Entitlement. Any computation of entitled Equity Shares using the above Ratio of Buyback may provide a slightly different number due to rounding-off. The actual Buyback Entitlement for Reserved category for Small Shareholders is 11.1417222915914% and General category for all other Eligible Sellers is 4.47521190654873%.*

**VI. Fractional Entitlements:**

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold 8 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.

**VII. Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:**

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

- a) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buyback Entitlement or the number of Equity Shares tendered by them, whichever is less.
- b) Post the acceptance as described in Clause 19. (VII) (a) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buyback, shall be given preference and one share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- c) Post the acceptance as described in Clause 19. (VII) (a) and 19. (VII) (b) above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buyback Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buyback Regulations, i.e. valid Acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom one Equity Share has been accepted in accordance with clause 19. (VII) (b) above, shall be reduced by one.
- d) **Adjustment for fractional results in case of proportionate Acceptance, as described in Clause 19. (VII) (c) above:**

- (i) For any Small Shareholder, if the number of Additional Equity 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.
- (ii) For any shareholder, if the number of Additional Equity 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.

**VIII. Basis of Acceptance of Shares validly tendered in the General Category:**

Subject to the provisions contained in the DLOF, the Company will accept the Equity Shares tendered in the Buyback by all other Eligible Sellers in the General Category in the following order of priority:

- a) Acceptance of 100% Equity Shares from other Eligible Sellers in the General Category who have validly tendered their Equity Shares, to the extent of their Buyback Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- b) Post the Acceptance as described in Clause 19 (VIII) (a) above, in case there are any Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the other Eligible Sellers over and above their Buyback Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Sellers divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.
- c) **Adjustment for fractional results in case of proportionate acceptance as described in Clause 19. (VIII) (a) and (b) above:**
  - (i) For any Eligible Seller, if the number of Additional Equity 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.
  - (ii) For any Eligible Seller if the number of Additional Equity 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.

**IX. Basis of Acceptance of Equity Shares between Categories**

- a) In case there are any Equity Shares left to be bought back in one category ("**Partially Filled Category**") after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be accepted proportionately, i.e. valid Acceptances per Eligible Seller shall be equal to the additional outstanding Equity Shares validly tendered by an Eligible Seller in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the Partially Filled Category.
- b) If the Partially Filled Category is the General Category, and the second category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been accepted in accordance with clause 19. (VII) (b) shall be reduced by one.
- c) **Adjustment for fraction results in case of proportionate Acceptance, as defined in clause 19. (IX) (a) and (b) above:**
  - i. For any Eligible Shareholder, if the number of Additional Equity 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.

- ii. For any Eligible Shareholder, if the number of Additional Equity 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.

**X. For avoidance of doubt, it is clarified that:**

- a) the Equity Shares accepted under the Buyback from each Eligible Shareholder, in accordance with clauses above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- b) the Equity Shares accepted under the Buyback from each Eligible Shareholder, in accordance with clauses above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date; and
- c) the 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 in accordance with the clauses above.
- d) In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Board or Buyback Committee authorized by the Board will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares after allocation of Equity Shares as set out in the process described in paragraph 19.(VII), 19.(VIII), 19.(IX) and 19.(X)

**XI. Clubbing of Entitlement**

In accordance with Regulation 9(ix) of Buyback Regulations, 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 shall club together the Equity Shares held by such shareholders with a common PAN for determining the category (Small Shareholder or General) and entitlement under the Buyback. In case of physical shareholders, where the sequence of PANs is identical, the Company will club together the Equity Shares held in such cases. Similarly, in case of physical shareholders where PAN is not available, the Company will check the sequence of names of the joint holders and club together the Equity Shares held in such cases where the sequence of names of joint shareholders is identical. The shareholding of institutional investors like mutual funds, pension funds/trusts and insurance companies 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 and have a different demat account nomenclature based on information prepared by the Registrar and Transfer Agent 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**

- I. The Buyback is open to all Eligible Shareholders who hold Equity Shares either in physical form or dematerialized form.
- II. The Company proposes to effect the Buyback through the Tender Offer route, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buyback as well as the detailed disclosures as specified in the Buyback Regulations, will be mailed/dispatched to Eligible Shareholders.
- III. **Eligible Shareholders who have registered their email IDs with the depositories/the Company, shall be dispatched the Letter of Offer through electronic means. In light of the Relaxation Circular, physical copies of the Letter of Offer will not be dispatched. An Eligible Shareholder may access the Letter of Offer through the websites of the Manager to the Buyback - <http://www.motilaloswalgroup.com>, websites of the Stock Exchanges - [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), website of the Registrar to the Buyback - <https://karisma.kfintech.com/buybackoffer.aspx> and on the website of the Company - [www.granulesindia.com](http://www.granulesindia.com). Eligible Shareholder who have not registered their email ids with the depositories / the Company, and who want to know their entitlement can do so by accessing the website of the Registrar - <https://karisma.kfintech.com/buybackoffer.aspx>. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure as mentioned in paragraph 20.(XI) below. The Company shall accept all the Equity Shares validly tendered in the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.**

- IV. The Company will not accept any Equity Shares offered in the Buyback where the title of shares is under dispute or which are under any restraint order of a court or such similar authority for transfer/sale of such Equity Shares or where loss of share certificates(s) has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise. In accordance with Regulation 24(v) of the Buyback Regulations, the Company shall not buyback locked-in Equity Shares and non-transferable Equity Shares until the pendency of the lock-in or until such Equity Shares become transferable. The Company shall accept all the Equity Shares validly tendered in the Buyback by Eligible Shareholders, on the basis of their Buyback Entitlement as on the Record Date.
- V. Eligible Shareholders will have to transfer their Equity Shares from the same demat account in which they were holding such 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 Sellers should provide sufficient proof of the same to the Registrar to the Buyback and such tendered Equity Shares may be accepted subject to appropriate verification and validation by the Registrar to the Buyback. The Board or Buyback Committee authorized by the Board will have the authority to decide such final allocation in case of non-receipt of sufficient proof by such Eligible Shareholder.
- VI. As disclosed in Paragraph 19 (Process and Methodology of Buyback) above, the Equity Shares proposed to be bought as a part of the Buyback are divided into 2 (two) categories; (i) Reserved Category for Small Shareholders, and (ii) the General Category for other Eligible Sellers; and the Buyback Entitlement of an Eligible Sellers in each category shall be calculated accordingly.
- VII. 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 Sellers in that category, and thereafter, from Eligible Sellers who have tendered over and above their Buyback Entitlement, in any other category.
- VIII. Eligible Sellers' participation in the Buyback is voluntary. Eligible Sellers may choose to participate, in part or in full, and receive cash in lieu of the Equity Shares accepted under the Buyback, or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, after the completion of the Buyback, without any additional investment. Eligible Sellers may also tender a part of their Buyback Entitlement. Eligible Sellers also have the option of tendering Additional Equity Shares (over and above their Buyback Entitlement but not more than their shareholding as on Record Date) and participate in the shortfall created due to non-participation of some other Eligible Sellers, if any. If the Buyback entitlement for any Eligible Shareholder is not a round number, the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buyback. The Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Seller shall be in terms of procedure outlined herein.
- IX. The maximum tender under the Buyback by an Eligible Seller cannot exceed the number of Equity Shares held by such Eligible Seller as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- X. The Buyback shall be implemented using the "Mechanism for acquisition of shares through Stock Exchange" pursuant to the SEBI Circulars, and following the procedure prescribed in the Act, 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.

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

- XI. In case of non-receipt of the Letter of Offer and the Tender Form:

i) **In case the Eligible Shareholder holds Equity Shares in dematerialised form:** Eligible Shareholder(s) have been sent the Letter of Offer and the Tender Form only through electronic means in accordance with the Relaxation Circular. In case of non-receipt of Letter of Offer, Eligible Shareholder(s) can access the Letter of Offer through the website of the Company i.e. [www.granulesindia.com](http://www.granulesindia.com), the Manager to the Buyback i.e. [www.motilaloswalgroup.com](http://www.motilaloswalgroup.com), the Registrar to the Buyback i.e. <https://karisma.kfintech.com/buybackoffer.aspx>, the websites of the Stock Exchanges – [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). Further, an Eligible Shareholder who wishes obtain a copy of the Letter of Offer and the Tender Form, may send a request to the Company, Registrar or Manager at the email id mentioned at the cover page of the Letter of Offer stating the name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a copy of the Letter of Offer shall be provided to such Eligible

Shareholder. An Eligible Shareholder may also participate in the Buyback by downloading the Tender Form from the website of the Company i.e. [www.granulesindia.com](http://www.granulesindia.com), the Manager to the Buyback i.e. [www.motilalosalgroup.com](http://www.motilalosalgroup.com), the Registrar to the Buyback i.e. <https://karisma.kfintech.com/buybackoffer.aspx>, the websites of the Stock Exchanges – [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) or by providing his / her / its application in writing on a plain paper, signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buyback.

**ii) In case the Eligible Shareholder holds Equity Shares in physical form:** Eligible Shareholder(s) have been sent the Letter of Offer and the Tender Form only through electronic means in accordance with the Relaxation Circular. In case of non-receipt of Letter of Offer, Eligible Shareholder(s) can access the Letter of Offer the website of the Company i.e. [www.granulesindia.com](http://www.granulesindia.com), the Manager to the Buyback i.e. [www.motilalosalgroup.com](http://www.motilalosalgroup.com), the Registrar to the Buyback i.e. <https://karisma.kfintech.com/buybackoffer.aspx>, the websites of the Stock Exchanges – [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). Further, an Eligible Shareholder who wishes obtain a copy of the Letter of Offer, may send a request to the Company, Registrar or Manager at the email id mentioned at the cover page of the Letter of Offer stating the name, address, number of Equity Shares held on Record Date, client ID number, DP name / ID, beneficiary account number, and upon receipt of such request, a copy of the Letter of Offer shall be provided to such Eligible Shareholder. An Eligible Shareholder may also participate in the Buyback by downloading the Tender Form from the website of the Registrar to the Buyback. An Eligible Shareholder may participate in the Buyback by providing his / her / its 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, Equity Share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buyback not later than 2 (two) days from the Buyback Closing Date i.e. **Tuesday, June 23, 2020, (by 5 p.m.)**. The envelope should be super scribed as **"Granules India Limited Buyback Offer 2020"**. 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 Tender Forms are liable to be rejected under this Buyback.

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

- XII.** For implementation of the Buyback, the Company has appointed Motilal Oswal Financial Services 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:

**Motilal Oswal Financial Services Limited;**

Motilal Oswal Tower, Rahimtullah Sayani Road,

Opposite Parel S.T. Bus Depot,

Prabhadevi - Mumbai - 400 025

Contact Person: Krishna Sharma;

Contact Number: +91 2271985473;

Email: [ksharma@motilalosal.com](mailto:ksharma@motilalosal.com)

CIN: L67190MH2005PLC153397

SEBI Registration No: INZ000158836

- XIII.** BSE has been appointed to provide a separate acquisition window ("Acquisition Window") to facilitate placing of sell orders by Eligible Sellers who wish to tender their Equity Shares in the Buyback. The details of the platform will be specified by BSE from time to time.

- XIV.** In the event Selling Member of any Eligible Shareholder is not registered with BSE trading member / stock broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register himself by using quick unique client code ("UCC") facility through that BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Seller is unable to register himself by using quick UCC facility through any other BSE registered stock broker, then that Eligible Shareholder may approach the Company's Broker, viz. Motilal Oswal Financial Services Limited, to register himself by using quick UCC facility.

- XV.** All Eligible Sellers, through their respective Selling Member(s) will be eligible and responsible to place orders in the Acquisition Window.
- XVI.** During the Tendering Period, the order for selling the Equity Shares will be placed in the acquisition window by Eligible Shareholders through their respective Stockbrokers during normal trading hours of the secondary market.
- XVII.** Seller Members can enter orders for Equity Shares in dematerialized form as well as in physical form.
- XVIII.** Modification / cancellation of orders and multiple bids from a single Eligible Shareholder will be allowed during the Tendering Period. Multiple bids made by a single Eligible Seller for selling the Equity Shares shall be clubbed and considered as 'one' bid for the purposes of Acceptance.
- XIX.** The cumulative quantity tendered shall be made available on BSE's website. [www.bseindia.com](http://www.bseindia.com) throughout the Tendering Period and will be updated at specific intervals during the Tendering Period.
- XX.** All documents sent by the Eligible Sellers will be at their own risk. Eligible Sellers are advised to adequately safeguard their interests in this regard.
- XXI. Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialised form:**
- a. Eligible Shareholders who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective Seller Member by indicating to their Seller Member the details of Equity Shares they intend to tender under the Buyback.
  - b. The Seller Member would be required to place an order/bid on behalf of the Eligible Shareholders who wish to tender Equity Shares in the Buyback using the acquisition window of BSE. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Equity Shares to the special account of the Clearing Corporation, as applicable, by using the early pay-in mechanism of the Depository prior to placing the order/bid on the platform of BSE by the Seller Member. For further details, Eligible Shareholders may refer to the circulars issued by the BSE/Clearing Corporation.
  - c. The details of the settlement number of the special account of Clearing Corporation shall be informed in issue opening circular that will be issued by BSE/ Clearing Corporation.
  - d. For Custodian Participant orders for Equity Shares in demat form, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than closing of trading hours (i.e. 3:30 p.m.) on the last day of the Tendering Period (i.e. the Buyback Closing Date). Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to custodian again for confirmation.
  - e. Upon placing the bid, the Seller Member shall provide a Transaction Registration Slip ('TRS') generated by the exchange bidding system to the Shareholder. TRS will contain the details order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
  - f. All the Eligible Sellers 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 Seller has signed the Tender Form;
    - ii. Duly attested death certificate and succession certificate/ legal heirship certificate, in case any Eligible Seller has expired;
    - iii. Court approved scheme of merger/ amalgamation for a company; and
    - iv. In case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions)
  - g. **IN CASE OF DEMATERIALIZED EQUITY SHARES, SUBMISSION OF TENDER FORM AND TRS IS NOT REQUIRED.** After the receipt of the dematerialized Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Eligible Shareholders holding Equity Shares in dematerialized form have successfully tendered the Equity Shares in the Buyback.
  - h. The Eligible Sellers will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated buyback decided by the Company. Further, Eligible

Shareholders will have to ensure that they keep the savings bank account attached with the DP account active and updated to receive credit remittance due to Acceptance of Buyback of shares by the Company.

- i. The reporting requirements for non-resident shareholders under Reserve Bank of India, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/ or the Seller Member.

**XXII. Procedure to be followed by Eligible Equity Shareholders holding Equity Shares in physical form:**

- a. Eligible Shareholders who are holding physical Equity Shares and intend to participate in the Buyback will be required to approach their respective Selling Member(s) along with the complete set of documents for verification procedures to be carried out including the **(i) original Equity Share certificate(s), (ii) valid share transfer form(s) i.e. Form SH-4 duly filled and signed by the transferors (i.e. by all registered Eligible Sellers in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iii) self-attested copy of the Eligible Seller's PAN Card, (iv) the Tender Form (duly signed by all Eligible Shareholders in case the Equity Shares are in joint names) the same order in which they hold Equity Shares, and (v) any other relevant documents such as, but not limited to, duly attested power of attorney, corporate authorization (including board resolution/specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original Eligible Shareholder has deceased, etc., as applicable.** In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible 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.
- b. Based on the documents as mentioned in paragraph XXII (a) herein above, the concerned Selling Member shall place the bid on behalf of Eligible Shareholders holding Equity Shares in physical form using the Acquisition Window of BSE. Upon placing the bid, the Selling Member shall provide a TRS generated by the exchange bidding system to the Eligible Seller. The TRS will contain the details of order submitted like folio number, Equity Share certificate number, distinctive number, number of Equity Shares tendered, etc.
- c. Any Selling Member who places a bid for physical Equity Shares, is required to deliver Tender Form, TRS, original equity 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 the Letter of Offer not later than 2 (two) days from the Buyback Closing Date i.e. **Tuesday, June 23, 2020, (by 5 p.m.)**. The envelope should be super scribed as **"Granules India Limited Buyback Offer 2020"**. One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Selling Member.
- d. Eligible Shareholders holding physical Equity 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. The Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as 'unconfirmed physical bids'. Once the Registrar to the Buyback confirms the bids it will be treated as 'Confirmed Bids'.

All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection.

**The Equity Shares shall be liable for rejection on the following grounds amongst others:**

**For Eligible Sellers holding shares in the dematerialized form if:**

- a. The Shareholder is not a Eligible Seller of the Company as on the Record Date;
- b. If there is a name mismatch in the dematerialised account of the Shareholder and PAN;
- c. Where there exist any restraint order of a Court/ any other competent authority 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.

**For Eligible Sellers 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 Tuesday, June 23, 2020 (by 5.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 transfer/ transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers;



- d. If the Eligible Sellers bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate;
- 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.
- f. If the Share Transfer Form SH-4 is not witnessed
- g. Where there exist any restraint order of a Court/ any other competent authority 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.

**XXIII. For Equity Shares held by Eligible Sellers, being Non-Resident Shareholders of Equity Shares (Read with clause 17 “DETAILS OF THE STATUTORY APPROVALS”):**

- a. Eligible Sellers, being Non-Resident Shareholders of Equity Shares (excluding FPIs/ FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- b. In case the Equity Shares are held on repatriation basis, the Non-Resident Eligible Seller shall obtain and enclose a letter from its authorized dealer/ bank confirming that at the time of acquiring the said Equity Shares, payment for the same was made by the non-resident Eligible Seller from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Non-Resident Eligible Seller is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Seller shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buyback.
- c. 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.

**XXIV. Acceptance of orders**

The Registrar to the Buyback shall provide details of order acceptance to Clearing Corporation within specified timelines

**XXV. Method of Settlement**

- i. Upon finalization of the basis of acceptance as per Buyback Regulations, the settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time, and in compliance with the SEBI Circulars.
- ii. The Company will transfer the consideration pertaining to the Buyback to the Clearing Corporation’s bank account through the Company’s Broker as per the secondary market mechanism, as per the prescribed schedule. If bank account details of any Eligible Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the RBI or relevant Bank, due to any reasons, then the amount payable to the Eligible Sellers will be transferred to the concerned Seller Members’ for onward transfer to the such Eligible Seller holding Equity Shares in dematerialized form.
- iii. For the Eligible Sellers holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Member’s settlement accounts for releasing the same to the respective Eligible Seller’s account.
- iv. In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Member’s settlement accounts for releasing the same to the respective Eligible Seller’s account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by BSE and the Clearing Corporation from time to time.
- v. The Equity Shares bought back in the dematerialized form would be transferred directly to the escrow account of the Company (“Company Demat Account”) provided it is indicated by the Company’s Broker or it will be transferred by the Company’s Broker to the Company Demat Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- vi. Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non-acceptance of shares under the Buyback.
- vii. Excess dematerialised Equity Shares or unaccepted Equity Shares, in dematerialised form, if any, tendered by the Eligible Sellers would be transferred by the Clearing Corporation directly to the respective Eligible Seller’s DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member’s depository pool account for onward transfer to the respective Eligible Seller. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian participant. The Seller Members would return these unaccepted Equity Shares to their respective clients on whose behalf the bids have been placed.

- viii. The Company's Broker would also issue a contract note to the Company for the Equity Shares Accepted under the Buyback. If Eligible Shareholders bank account details are not available or if the fund transfer instruction is rejected by RBI or bank, due to any reasons, the amount payable to Eligible Shareholders will be transferred to the Stock Broker for onward transfer to the Eligible Shareholder.
- ix. Eligible Shareholders who intend to participate in the Buyback should consult their respective Stock Broker(s) for any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Stock Broker(s) upon the selling shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Buyback consideration received by the Eligible Shareholders, in respect of Accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company and the Manager to the Buyback accepts no responsibility to bear or pay such additional cost, additional taxes, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.
- x. Any excess Equity Shares, in physical form, pursuant to proportionate acceptance / rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated 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 by Eligible Sellers holding Equity Shares in the physical form.
- xi. The Equity Shares lying to the credit of the Company Demat 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.
- xii. The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds:
  - i. the Equity Shareholder is not an Eligible Shareholder of the Company as on the Record Date; or
  - ii. there is a name and PAN mismatch in the dematerialised account of the Eligible Shareholder; or
  - iii. in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding shares in physical form as on the Record Date and have placed their bid in dematerialized form.

## 21. NOTE ON TAXATION

**THE FOLLOWING SUMMARY OF THE TAX CONSIDERATIONS IS BASED ON THE READING OF 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 IMPLICATIONS ON THESE TAX CONSIDERATIONS.**

**FINANCE (NO. 2) BILL 2019 INTRODUCED IN LOK SABHA HAS ALREADY BEEN PASSED BY THE PARLIAMENT AND RECEIVED THE ASSENT OF HON'BLE PRESIDENT OF INDIA ON 1 AUGUST 2019, CONVERTING THE BILL INTO THE ACT. THIS ACT HAS CHANGED THE PROVISIONS OF SECTION 115QA OF THE INCOME TAX ACT, 1961 BY OMITTING THE WORDS "NOT BEING SHARES LISTED ON A RECOGNISED STOCK EXCHANGE". THE EFFECT OF THIS OMISSION IS THAT THE PROVISIONS OF SECTION 115QA RELATING TO THE BUY BACK OF THE SHARES, WHICH WERE HITHERTO NOT APPLICABLE TO THE BUY BACK OF SHARES WHICH WERE LISTED ON A RECOGNISED STOCK EXCHANGE, HAVE NOW BECOME APPLICABLE EVEN TO THE BUY BACK OF SHARES LISTED ON A RECOGNISED STOCK EXCHANGE. SECTION 115QA HAS BEEN FURTHER AMENDED BY TAXATION LAWS (AMENDMENT) ORDINANCE, 2019. THE AMENDED PROVISIONS OF SECTION 115QA ARE APPLICABLE IN RESPECT OF ALL THE BUY BACK OF SHARES LISTED ON A RECOGNISED STOCK EXCHANGE WHOSE PUBLIC ACCOUNCEMENT HAS BEEN MADE ON OR AFTER 5 JULY 2019. IN VIEW OF THE COMPLEXITY AND THE SUBJECTIVITY INVOLVED IN THE TAX CONSEQUENCES OF A BUY BACK TRANSACTION, ELIGIBLE SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE TAX TREATMENT IN THEIR HANDS CONSIDERING THE RELEVANT TAX PROVISIONS, FACTS AND CIRCUMSTANCES OF THEIR CASE.**

**THE COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF THIS TAX SUMMARY AND EXPLICITLY DISOWNS ANY LIABILITY ARISING OUT OF ANY ACTION INCLUDING A TAX POSITION TAKEN BY THE ELIGIBLE SHAREHOLDER BY RELYING ON THIS SUMMARY. THE SUMMARY OF TAX CONSIDERATIONS RELATING TO BUY BACK OF EQUITY SHARES LISTED ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GENERAL GUIDANCE PURPOSES ONLY.**

### I. GENERAL

- A. The Indian tax year runs from 1 April to 31 March. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act 1961 ('Act' or 'ITA').
- B. A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her India sourced income or income received by such person in India. In case of shares of a Company, the source of income from shares would depend on the 'situs' of the shares. As per judicial precedents, generally the "situs" of the shares is where company is "incorporated" and where its shares can be transferred. Accordingly, since the Company is incorporated in

India, the shares of the Company would be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Tax Avoidance Agreement (“DTAA”) subject to satisfaction of the relevant conditions including non-applicability of General Anti-Avoidance Rule (“GAAR”) and providing and maintaining necessary information and documents as prescribed under the ITA.

- C. The summary of tax implications on buyback of equity shares listed on the stock exchanges in India is set out below. All references to equity shares in this note refer to equity shares listed on the stock exchanges in India unless stated otherwise.

## **II. INCOME TAX PROVISIONS IN RESPECT OF BUY BACK OF SHARES LISTED ON THE RECOGNISED STOCK EXCHANGE (BUY BACK WHOSE PUBLIC ACCOUNCEMENT HAS BEEN MADE ON OR AFTER 5TH JULY 2019 CONSIDERING RELEVANT AMENDMENTS UNDER THE FINANCE (NO. 2) ACT, 2019) AND TAXATION LAWS (AMENDMENT) ORDINANCE, 201**

- A. Section 115QA of the Act provides for the levy of additional Income- tax at the rate of twenty per cent (excluding surcharge and Health and Education cess, as applicable) of the distributed income on account of buyback of unlisted shares by the company. In order to curb such tax avoidance practice adopted by the listed companies, the existing anti abuse provision under Section 115QA of the Act, pertaining to buyback of shares from shareholders by companies not listed on a recognised stock exchange, is extended to all companies including companies listed on recognised stock exchange. Thus, any buyback of shares from a shareholder by a company listed on a recognised stock exchange, on or after 5th July 2019, shall also be covered by the provision of section 115QA of the Act.
- B. As additional income-tax at the rate of twenty per cent (excluding surcharge and Health and Education cess, as applicable) of the distributed income on account of buyback of unlisted shares by the company has been levied at the level of company under Section 115QA of the Act, the consequential income arising in the hands of shareholders has been exempted from tax under sub-clause (34A) of section 10 of the Act. With the amendment in the Act, extending the provisions of Section 115QA of the Act to companies listed on recognised stock exchange, exemption under sub-clause (34A) of section 10 of the Act is extended to shareholders of the listed company on account of buyback of shares on which additional income-tax has been paid by the company.
- C. The consequential income will be exempted in the hands of the shareholder irrespective of the class/residential status of the shareholder and purpose for which shares are held (i.e. as “Investments” or “Stock in Trade”) under sub-clause(34A) of Section 10 of the Act.

### **TAX DEDUCTION AT SOURCE**

The Consequential income arising in the hands of shareholder will be exempted by virtue of sub clause (34A) of Section 10 of the Act. Therefore, no TDS/WHT will be deductible on the said income.

**The above note on taxation sets out the provisions of law in a summary manner only and does not purport to be a complete analysis or listing of all potential tax consequences of the disposal of equity shares. This note is neither binding on any regulators nor can there be any assurance that they will not take a position contrary to the comments mentioned herein.**

## 22. DECLARATION BY THE BOARD OF DIRECTORS

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

- a. **Confirmation that the Board of Directors have made full enquiry into the affairs and prospects of the Company and that they have formed the opinion to the effect that the Company, after Buy-back will continue to be able to meet its liabilities and will not be rendered insolvent:** The Board of Directors of the Company have made full enquiry into the affairs and prospects of the Company and have formed the opinion:
- That immediately following the date of this Board Meeting and the date on which the results of the Postal Ballot will be declared, there will be no grounds on which the Company can be found unable to pay its debts;
  - That as regards the Company's prospects for the year immediately following the date of this Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot approving the Buy-back will be declared, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting or as the case may be, within a period of one year from the date on which the results of the Postal Ballot will be declared;
  - In forming an opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 as applicable (including prospective and contingent liabilities);
  - That the debt equity ratio of the Company after the Buy-back will be within the limit of 2:1 as prescribed under the Act.

For and on behalf of the Board of Directors of Granules India Limited,

Sd/-	Sd/-
Krishna Prasad Chigurupati Chairman and Managing Director (Director Identification Number (DIN):) 00020180	K. B. Sankar Rao Director (Director Identification Number (DIN):) 05167550

## 23. AUDITOR'S CERTIFICATE

### Quote

To,  
**The Board of Directors**  
**GRANULES INDIA LIMITED**  
2nd Floor, 3rd Block,  
My Home Hub, Madhapur,  
Hyderabad – 500081  
Telangana

**Statutory Auditor's Report in respect of the proposed buy-back of equity shares by Granules India Limited ('the Company') in terms of clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended (the "SEBI buy-back Regulations").**

1. This report is issued in accordance with the terms of the addendum dated 16 January 2020 to our engagement letter dated 11 July 2019.
2. The Board of Directors of the Company have approved a proposal for buy-back of equity shares by the Company at its meeting held on 21 January 2020, in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013, as amended ('the Act') and the SEBI buy-back Regulations.
3. We have been requested by the management of the Company (the 'Management') to provide a report on the accompanying statement of permissible capital payment (including premium) ('Annexure A') as at 31 March 2019 (hereinafter referred together as the 'Statement'). This Statement is prepared by the Management, which we have initialed for identification purposes only.

### **Management's Responsibility**

4. The preparation of the Statement in accordance with Section 68(2) of the Act, and the compliance with the SEBI buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment (including premium), 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.

### **Auditor's responsibility**

5. Pursuant to the requirements of the SEBI buy-back Regulations, it is our responsibility to provide reasonable assurance:
  - i) whether we have inquired into the state of affairs of the Company in relation to the audited standalone and consolidated financial statements for the year ended 31 March 2019;
  - ii) if the amount of permissible capital payment (including premium) as stated in Annexure A for the proposed buy-back of equity shares, has been properly determined considering the audited standalone and consolidated financial statements of the Company as at and for the year ended 31 March 2019 in accordance with Section 68(2) of the Act; and the proviso to Regulation 5(i)(b) of the SEBI buy-back regulations; and
  - iii) if the Board of Directors in their meeting held on 21 January 2020, have formed the opinion as specified in clause (x) of Schedule I to the SEBI buy-back 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 the aforesaid date.
6. The standalone and consolidated financial statements referred to in paragraph 5 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unqualified audit report dated 9 May 2019. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (the "Guidance note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

9. Based on inquiries conducted and our examination as above, we report that:
  - i) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements of the Company as at and for the year ended 31 March 2019, which have been approved by Board of Directors of the Company on 9 May 2019;
  - ii) The amount of permissible capital payment (including premium) towards the proposed buy back, up to 1,25,00,000 equity shares, as computed in the Statement attached herewith as Annexure A, in our view, has been properly determined in accordance with Section 68(2) of the Act and the proviso to Regulation 5(i)(b) of the SEBI buy-back regulations. The amounts of share capital and free reserves have been extracted from the audited standalone and consolidated financial statements of the Company as at and for year ended 31 March 2019; and
  - iii) The Board of Directors of the Company, in their meeting held on 21 January 2020 have formed their opinion as specified in clause (x) of Schedule I to the SEBI buy-back Regulations, on reasonable grounds and 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 meeting resolution dated 21 January 2020.

### **Restrictions on use**

10. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buy-back of equity shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Companies Act, 2013 and the SEBI buy-back Regulations, (ii) to enable the Board of Directors of the Company to include in the public announcement, Letter of Offer, letter of offer 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 law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the managers, each for the purpose of extinguishment of equity shares in pursuance to the provisions of Section 68 and other applicable provision of the act and the SEBI buy-back Regulations and may not be suitable for any other purpose.

*for B S R & Associates LLP*

*Chartered Accountants*

ICAI Firm Registration Number: 116231W/W-100024

**Sriram Mahalingam**

*Partner*

Membership No: 049642

UDIN: 20049642AAAAAH3398

Place: Hyderabad

Date: January 21, 2020

## Annexure A- Statement of Permissible Capital Payment

Computation of amount of permissible capital payment (including premium) towards buyback of equity shares in accordance with Section 68 of the Companies Act, 2013 (“the Act”) and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018

(Amounts in INR Lakhs)

Particulars	Standalone	Consolidated
Paid up equity capital as at 31 March 2019(A)	2,542.48	2,542.48
Free reserves as at 31 March 2019*:		
- Securities premium reserve	62,520.54	62,520.54
- General reserve	30,786.74	30,786.74
- Retained earnings	43,768.43	52,715.35
<b>Total free reserves (B)</b>	<b>137,075.71</b>	<b>146,022.63</b>
Total paid up equity capital and free reserves (A+B)	<b>139,618.19</b>	<b>148,565.11</b>
Maximum amount permissible for buyback under Section 68 of the Act, i.e. 25% of the total paid up capital and free reserves	34,904.55	37,141.28

\*Free reserves as defined in Section 2(43) of the Act read along with Explanation II provided in Section 68 of the Act.

Note:

1. The aforesaid balances have been extracted accurately from the audited standalone and consolidated financial statements of the Company for the year ended 31 March 2019.
2. As per Section 68, free reserves include securities premium for the purposes of the aforesaid computation.
3. The aforesaid statement has been prepared in connection with the proposed buy-back of 1,25,00,000 equity shares at a price of INR 200 per share aggregating to INR 25000 lakhs. The shares proposed for buy-back have been determined in accordance with the provisions of the Companies Act, 2013 including Section 68 and the SEBI Buyback Regulations.
4. The Board of Directors have in their meeting dated 21 January 2020, formed opinion 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 aforesaid date.

**Unquote**

## 24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Corporate Office of the Company at Second Floor, Block III, My Home Hub Madhapur, Hyderabad – 500081, Telangana – India between 11.00 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the offer period:

1. Certificate of Incorporation of the Company.
2. Memorandum and Articles of Association of the Company.
3. Annual reports of the Company for the last three financial years viz. March 31, 2017, 2018 and 2019.
4. Copy of resolution passed by the Board of Directors at their meeting held on January 21, 2020 approving the proposal of the Buyback.
5. Copy of special resolution passed by the shareholders, results of which were declared on March 10, 2020 approving the proposal of the Buyback
6. Copy of the Postal Ballot Notice dated October 22, 2019 sent to the Equity Shareholders along with Explanatory Statement
7. Certificate dated January 21, 2019 received from B S R & Associates LLP, the Statutory Auditors of the Company, in terms of clause (xi) of to Schedule I of the Buyback Regulations.
8. Copy of Public Announcement dated March 11, 2020 published in the newspapers on March 12, 2020 regarding Buyback.
9. Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 of the Companies (Share Capital and Debentures) Rules, 2014.
10. Certificate from Dhanunjaya & Haranath, Chartered Accountants dated March 7, 2020 having its office at: #302, Wings, 8-3-960/6/2, Srinagar Colony, Hyderabad – 500 073, Telangana ( Phone: +91 40 4020 5554/ 2374 0989, Firm Registration No.: 014288S, Partner: Dhanunjaya Kumar Alla, Membership No.: 206446) , certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback, in accordance with the Buyback Regulations.
11. Copy of Escrow Agreement dated March 10, 2020 between Granules India Limited, Motilal Oswal Investment Advisors Limited and Axis Bank Limited.
12. SEBI comments vide letter dated May 28, 2020 issued in terms of the Buyback Regulations.

## 25. DETAILS OF THE COMPLIANCE OFFICER AND COMPANY INVESTOR RELATIONS

### **Ms. Chaitanya Tummala**

*Company Secretary, Compliance Officer and Nodal Officer*

Granules India Limited

2nd Floor, 3rd Block, My Home Hub, Madhapur, Hyderabad (TS) – 500081

Tel: +91 40 30660000,

Email: investorrelations@granulesindia.com



Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays.

## 26. DETAILS OF THE REMEDIES AVAILABLE TO THE EQUITY SHAREHOLDERS

- I. In case of any grievances relating to the Buyback (e.g. non-receipt of the Buyback consideration, share certificate, demat credit, etc.), the investor can approach the Compliance Officer of the Manager to the Buyback and/ or Registrar to the Buyback and/ or Compliance Officer of the Company for redressal.
- II. If the Company makes any default in complying with the provisions of Section 68 of the Companies Act or any rules made there-under, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, 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, as the case may be.



- III. The address of the concerned office of the Registrar of Companies is as follows:  
 Registrar of Companies, Telangana  
 2ND Floor, Corporate Bhawan,  
 GSI Post, Nagole, Bandlaguda  
 Hyderabad - 500 068

27. DETAILS OF INVESTOR SERVICE CENTRE	28. DETAILS OF THE MANAGER TO THE BUY BACK
 <p><b>KFin Technologies Private Limited</b>            Selenium, Tower B Plot No. 31-32, Financial District            Nanakramguda, Srilingampally Hyderabad Rengareddi 500 032            Telangana, India  <b>Tel:</b> +91 40 6716 2222 <b>Fax:</b> +91 40 2343 1551  <b>E-mail:</b> <a href="mailto:gil.buyback2020@kfintech.com">gil.buyback2020@kfintech.com</a>  <b>Investor grievance e-mail:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>            Website: <a href="http://www.kfintech.com">www.kfintech.com</a>  <b>Contact Person:</b> M Murali Krishna  <b>SEBI Registration No.:</b> INR000000221  <b>CIN:</b> U72400TG2017PTC117649</p>	 <p><b>Motilal Oswal Investment Advisors Limited</b>            Motilal Oswal Tower, Rahimtullah Sayani Road            Opposite Parel ST Depot, Prabhadevi, Mumbai- 400 025            Maharashtra, India  <b>Tel:</b> +912250362512 / +912271935300   <b>Fax:</b> +91 22 3846 4315  <b>E-mail:</b> <a href="mailto:gil.buyback2020@motilaloswal.com">gil.buyback2020@motilaloswal.com</a>  <b>Investor Grievance E-mail:</b> <a href="mailto:moiaplredressal@motilaloswal.com">moiaplredressal@motilaloswal.com</a>  <b>Website:</b> <a href="http://www.motilaloswalgroup.com">http://www.motilaloswalgroup.com</a>  <b>Contact person:</b> Kristina Dias/ Subodh Mallya  <b>SEBI Registration No.:</b> INM000011005 / Permanent  <b>CIN:</b> U67190MH2006PLC160583</p>

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

As per Regulation 24(i)(a) of the Buyback Regulations, the Directors of the Company accept full responsibility for the information contained in this Letter of Offer. This Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on January 21, 2020.

### For and on behalf of the Board of Directors of Granules India Limited

Sd/-	Sd/-	Sd/-
<b>Mr. Krishna Prasad Chigurupati</b>	<b>Mr. K. B. Sankar Rao</b>	<b>Ms. Chaitanya Tummala</b>
Chairman & Managing Director DIN: 00020180	Director DIN: 05167550	Company Secretary, Compliance Officer and Nodal Officer Membership No.: A29978

Date: May 29, 2020

Place: Hyderabad

## 30. TENDER FORM

30.1 Tender Form (for Eligible Shareholders holding Equity Shares in dematerialised form)

30.2 Tender Form (for Eligible Shareholders holding Equity Shares in physical form)

30.3 Form No. SH-4 – Securities Transfer Form

**DEMAT TENDER FORM - FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT**  
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED FORM)

BUYBACK OPENS ON		Monday, June 08, 2020
BUYBACK CLOSES ON		Friday, June 19, 2020
<b>FOR REGISTRAR</b>		
<b>Inward No.</b>	<b>Date</b>	<b>Stamp</b>
<i>Status (please tick appropriate box)</i>		
<input type="checkbox"/> Individual	<input type="checkbox"/> FII/FPI	<input type="checkbox"/> Insurance Co
<input type="checkbox"/> Foreign Co	<input type="checkbox"/> NRI/OCB	<input type="checkbox"/> FVCI
<input type="checkbox"/> Body Corporate	<input type="checkbox"/> Bank/FI	<input type="checkbox"/> Pension/PF
<input type="checkbox"/> VCF	<input type="checkbox"/> Partnership/LLP	<input type="checkbox"/> Others (Specify)
<b>India Tax Residency Status: Please tick appropriate box</b>		
<input type="checkbox"/> Resident in India	<input type="checkbox"/> Non-Resident	<input type="checkbox"/> Resident of
<b>Route of Investment (For NR Shareholders only)</b>		
<input type="checkbox"/> Portfolio Investment Scheme	<input type="checkbox"/> Foreign Investment Scheme	

To,  
Granules India Limited  
Second Floor, Block III, My Home Hub, Madhapur, Hyderabad – 500081 Telangana – India

Dear Sirs,

**Sub: Letter of Offer dated May 29, 2020, 2020, to Buyback up to 1,25,00,000 (One Crore Twenty-Five Lakhs Only) fully paid-up equity shares of face value ₹1 each (“Equity Shares”)(“Buyback”), at a price of ₹200 (Rupees Two Hundred Only) per equity share (the “Buyback Price”) for an aggregate amount of up to ₹250,00,00,000 (Rupees two hundred and fifty crores only) (the “Buyback Size”)**

- 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 authorize the Company to buyback the Equity Shares offered (as mentioned above) and to issue instruction(s) to the Registrar to the Buyback to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for Buyback by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other covenants of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback and that I / We am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the Company will pay the Buyback Price as per the stock exchange mechanism.
- I / We agree to return to the Company any Buyback consideration that may be wrongfully received by me / us.
- Details of Equity Shares held and tendered / offered for Buy-back:

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (March 20, 2020)		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back (Including Additional Shares, if any)		

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

- I / We agree to receive, at my own risk, the invalid / unaccepted Equity Shares under the Buyback Offer in the demat account from where I / We have tendered the Equity Shares in the Buyback.
- I / We agree that excess dematerialized Equity Shares or unaccepted dematerialized Equity Shares, if any, tendered by the Eligible Shareholders would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholder’s DP account, as part of the exchange payout process. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Seller Member’s depository pool account for onward transfer to the Eligible Shareholder. In case of custodian participant orders, excess dematerialized Shares or unaccepted dematerialized Shares, if any, will be returned to the respective custodian participant. The Seller Members would return these unaccepted Equity Shares to their respective clients on whose behalf the bids have been placed.
- I / We undertake to pay income taxes in India on any income arising on such Buyback in accordance with prevailing income tax laws in India. I / We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me / us.

Tear along this line

**ACKNOWLEDGMENT SLIP: GRANULES INDIA LIMITED – BUYBACK OFFER**  
(To be filled by the Eligible Shareholder) (Subject to verification)

DP ID	Client ID
Received from Mr./Ms./Mrs.	
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>	
No. of Equity Shares Offered in the Buyback (in Figures)	(in words)
<i>Please quote Client ID No. &amp; DP ID No. for all future correspondence</i>	
Stamp of Stock Broker	

11. Applicable for all Non-Resident Shareholders.

I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India (“RBI”) under Foreign Exchange Management Act, 1999, as amended (the “FEMA Regulations”) and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buyback in accordance with the Companies Act, Buyback Regulations and any other applicable laws.

12. Non-Resident Shareholders (including NRIs, OCBS, FPI, Foreign Nationals and FIs) are requested to enclose a consent letter indicating the details of transfer i.e. number of Equity Shares to be transferred, the name of the investee company whose shares are being transferred i.e. “Granules India Limited” and the price at which the Equity Shares are being transferred i.e. “Price determined in accordance with the Buyback Regulations” duly signed by the shareholder or his/its duly appointed agent and in the latter case, also enclose the power of attorney.

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

Name of the Depository (tick whichever is applicable)		NSDL		CDSL
Name of the Depository Participant				
Depository Participant Number				
Client ID Number with the Depository Participant				

14. Equity Shareholders Details:

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

\* Non-individual shareholders must affix rubber stamp and sign under valid authority. The relevant authorization should be enclosed with the application form submitted.

**INSTRUCTIONS**

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

- This Offer will open on **Monday, June 08, 2020** and close on **Friday, June 19, 2020**
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Shareholders who desire to tender their Equity Shares under the Buyback would have to do so through their respective Selling Member by indicating the details of equity shares they intend to tender under the Buyback offer.
- Eligible Shareholders may submit their duly filled Tender Form to the office of Registrar to the Buyback (as mentioned in Paragraph 18 of the Letter of Offer) only post placing the bid via the Seller Member.
- In case any registered entity that has merged with another entity and the merger has been approved and has come into effect but the process of getting the successor company as the registered shareholder is still incomplete, then such entity along with the Tender Form should file a copy of the following documents:
  - Approval from the appropriate authority for such merger;
  - The scheme of merger; and
  - The requisite form filed with MCA intimating the merger.
- The Buyback shall be rejected for shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of Shares in the special account of the Clearing Corporation or a non-receipt of valid bid in the exchange bidding system.
- The shares in the Offer would be liable to be rejected if (i) the tenderer is not an Eligible Shareholder of the Company as on the Record date (ii) if there is a name and PAN mismatch in the demat account of the Eligible Shareholder (iii) in the event of non-receipt of the completed Tender Form and other documents from the Eligible Shareholders who were holding shares in physical form as on the Record Date and have placed their bid in dematerialized form.
- The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buyback as may be decided by the Company / Registrar to the Buyback, in accordance with the Buyback Regulations.
- Eligible Shareholders to whom the Offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement, but not exceeding their holding as on Record Date.
- For the procedure to be followed by Eligible Shareholders for tendering in the Buyback, please refer to paragraph 20 “Procedure for Tender Offer and Settlement” on page 28 of the Letter of Offer.
- All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- By agreeing to participate in the Buyback the NR and NRI shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reporting, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.
- In case of non-receipt of the Letter of Offer, Eligible Shareholders holding Equity Shares may participate in the Buyback by providing their application in plain paper in writing signed by all Eligible Shareholders (in case of joint holding), stating name and address of the Eligible Shareholder(s), number of Equity Shares held as on the Record Date, Client ID number, DP Name, DP ID, beneficiary account number and number of Equity Shares tendered for the Buyback
- The Tender Form and TRS is not required to be submitted to the Company, Manager or the Registrar. After the receipt of the dematerialized Equity Shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buyback shall be deemed to have been accepted for the Eligible Shareholders holding Equity Shares in dematerialized form.

**Tear along this line**

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

Investor Service Centre: Granules India Limited – Buyback Offer

**KFin Technologies Private Limited**

Selenium, Tower B Plot No. 31-32, Financial District Nanakramguda, Srilingampally Hyderabad Rengareddi 500 032 Telangana, India

Tel: +91 40 6716 2222 Fax: +91 40 2343 1551 | E-mail: gil.buyback2020@kfintech.com

Investor grievance e-mail: einward.ris@kfintech.com | Website: www.kfintech.com

Contact Person: M Murali Krishna

SEBI Registration No.: INR000000221 | CIN: U72400TG2017PTC117649

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

**Bid Number:**

**Date:**

BUYBACK OPENS ON		Monday, June 08, 2020
BUYBACK CLOSES ON		Friday, June 19, 2020
<b>FOR REGISTRAR</b>		
<b>Inward No.</b>	<b>Date</b>	<b>Stamp</b>
<i>Status (please tick appropriate box)</i>		
Individual	FII/FPI	Insurance Co
Foreign Co	NRI/OCB	FVCI
Body Corporate	Bank/FI	Pension/PF
VCF	Partnership/LLP	Others (Specify)
<b>India Tax Residency Status: Please tick appropriate box</b>		
Resident in India	Non-Resident	Resident of
<b>Route of Investment (For NR Shareholders only)</b>		
Portfolio Investment Scheme		Foreign Investment Scheme

To,  
Granules India Limited  
Second Floor, Block III, My Home Hub, Madhapur, Cyberabad Hyderabad – 500081 Telangana – India

**Dear Sirs,**

**Sub: Letter of Offer dated, May 29, 2020, to Buyback up to 1,25,00,000 (one crore twenty-five lakhs only) fully paid-up equity shares of face value ₹1 each ("Equity Shares")("Buyback"), at a price of ₹200 (Rupees two hundred only) per equity share (the "buyback price") for an aggregate amount of up to ₹250,00,00,000 (Rupees two hundred and fifty crores only) (the "Buyback Size")**

- I / We (having read and understood the Letter of Offer dated May 29, 2020 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 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 that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buyback Offer and that I / we am / are legally entitled to tender the Equity Shares for Buyback.
- I / We agree that the consideration for the accepted Shares will be paid to the Seller Member as per secondary market mechanism.
- I / We acknowledge that the responsibility to discharge the tax due on any gains arising on buy-back is on me / us. I / We agree to compute gains on this transaction and immediately pay applicable taxes in India and file tax return in consultation with our custodians/ authorized dealers/ tax advisors appropriately.
- 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 return to the Company any Buyback consideration that may be wrongfully received by me / us.
- I / We agree that the Company is not obliged to accept any Equity Shares offered for Buyback where loss of share certificates has been notified to the Company.
- I / We agree that the Company will pay the Buyback Price only after due verification of the validity of the documents and that the consideration may be paid to the first named Eligible Seller.
- I / We authorize the Company to split the Share Certificate and issue new consolidated 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
- 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 and the Buyback Regulations.
- Details of Equity Shares held and tendered / offered for Buyback

Particulars	In Figures	In Words
Number of Equity Shares held as on Record Date (March 20, 2020)		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back (Including Additional Shares, if any)		

Note: Eligible Sellers also have the option of tendering Additional Equity Shares (over and above their Buyback Entitlement) and participate in the shortfall created due to non-participation of some other Eligible Sellers, if any. The acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Eligible Shareholder shall be in terms of Paragraphs 19 and 20 of the Letter of Offer. Equity Shares tendered by any Eligible Seller over and above the number of Equity Shares held by such Eligible Seller as on the Record Date shall not be considered for the purpose of Acceptance.

Tear along this line

**ACKNOWLEDGMENT SLIP: GRANULES INDIA LIMITED – BUYBACK OFFER**

*(To be filled by the Eligible Shareholder) (Subject to verification)*

Folio No.:			
Received from Mr./Ms./Mrs.			
<b>Form of Acceptance-cum-Acknowledgement, Original TRS along with:</b>			
No. of Equity Shares Offered in the Buyback (in Figures)		(in words)	
<i>Please quote Client ID No. &amp; DP ID No. for all future correspondence</i>			
			Stamp of Stock Broker

14. Details of Share Certificate:

Sr. No.	Folio No.	Equity Share Certificate No.	Distinctive No(s)		No. of Equity Shares
			From	To	
1					
2					
3					
4					
<b>Total</b>					

In case the number of folios and share certificates enclosed exceed four, please attach a separate sheet giving details in the same format as above

15. Equity Shareholders Bank Details:

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

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

Power of Attorney	Corporate Authorization
Succession Certificate	Permanent Account Number (PAN Card)
Self-attested copy of Permanent Account Number (PAN Card)	TRS
Others (please specify)	Others (please specify)

17. Equity Shareholders Details:

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

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

18. Applicable for all Non-resident shareholders - I/ We undertake to pay income taxes in India on any income arising on such buyback and taxable in accordance with the prevailing income tax laws in India within 7th day of the succeeding month in which the shares are bought back by the Company. I/ We also undertake to indemnify the Company against any income tax liability on any income earned on such Buyback of shares by me/ us. I / We, being a Non-Resident Shareholder, agree to obtain and submit all necessary approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India ("RBI") under Foreign Exchange Management Act, 1999, as amended (the "FEMA Regulations") and the rules and regulations framed there under, for tendering Equity Shares in the Buyback, and also undertake to comply with the reporting requirements, if applicable, under the FEMA Regulations and any other rules, regulations and guidelines, in regard to remittance of funds outside India.

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

- The Buyback will open on **Monday, June 08, 2020** and close on **Friday, June 19, 2020**.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Sellers who wish to tender their Equity Shares in response to this Buyback should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before **Tuesday, June 23, 2020 (by 5 PM)** (i) The relevant Tender Form duly signed (by all Eligible Sellers in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) Original Equity Share certificates; (iii) Self attested copy of the Permanent Account Number (PAN) Card; (iv) Transfer deed (Form SH 4) duly signed (by all Eligible Sellers in case Equity Shares are held jointly) in the same order in which they hold the Equity Shares. For Further details, please see the procedure as specified in the section entitled "Procedure for Tender Offer and Settlement" of the Letter of Offer.
- 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 all Eligible Shareholders (in case of joint holding), stating name, address, folio number, number of Equity Shares held, Equity Share certificate number, number of Equity Shares tendered for the Buyback and the distinctive numbers thereof, enclosing the original Equity Share certificate(s), copy of Eligible Shareholder's PAN card(s) and executed share transfer form in favour of the Company. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents, reach the Registrar to the Buyback not later than 2 (two) days from the Buyback Closing Date i.e. **Tuesday, June 23, 2020 (by 5 PM)**.
- Eligible Sellers should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar & transfer Agent of the Company, if any person other than the Eligible Seller has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any Eligible Seller is deceased; and (iii) Necessary corporate authorizations, such as Board Resolutions etc., in case of companies.
- Eligible Sellers to whom the Buyback offer is being made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
- All documents sent by the seller member/ custodian will be at their own risk and the seller member/ custodian is advised to adequately safeguard their interests in this regard. For the procedure to be followed by Equity Shareholders for tendering in the Buyback Offer, please refer to clause 20 of the Letter of Offer.
- All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other Company's equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Sellers; (iii) If the Eligible Sellers tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar.
- By agreeing to participate in the Buyback the Non-Resident Shareholders give the Company the authority to make, sign, execute, deliver, acknowledge and perform all applications to file regulatory reportings, if required, including FC-TRS form, if necessary and undertake to provide assistance to the Company for such regulatory reporting, if required by the Company.

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: Granules India Limited – Buyback Offer

KFin Technologies Private Limited

Selenium, Tower B Plot No. 31-32, Financial District Nanakramguda, Srilingampally Hyderabad Rengareddi 500 032 Telangana, India

Tel: +91 40 6716 2222 Fax: +91 40 2343 1551

E-mail: gil.buyback2020@kfintech.com | Investor grievance e-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) | Website: www.kfintech.com

Contact Person: M Murali Krishna | SEBI Registration No.: INR00000221 | 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:** L24110TG1991PLC012471

**Name of the company (in full):** Granules India Limited

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

### DESCRIPTION OF SECURITIES:

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

No. of Securities being Transferred		Consideration Received (per Equity Share)	
In Figures	In Words	In words	In figures

Distinctive Number	From				
	To				
Corresponding Certificate Nos:					

### Transferor's Particulars

Registered Folio Number:

No.	Name(s) in full	PAN NO.	Signature(s)
1.			
2.			
3.			

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

Signature of Witness	
Name and address	

# 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]

## Transferee's Particulars

Name in full	Father's/ mother's/ Spouse name	Address & E-mail ID	Occupation	Existing folio no., if any	Signature
(1)	(2)	(3)	(4)	(5)	(6)
Granules India Limited	N.A.	<b>Address:</b> Second Floor, Block III, My Home Hub, Madhapur, Hyderabad – 500081, Telangana <b>Email ID:</b> investorrelations@granulesindia.com	Business		

Folio No. of Transferee: \_\_\_\_\_

Specimen Signature of Transferee: \_\_\_\_\_

Value of stamp affixed: \_\_\_\_\_ (₹ )

Enclosures:

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

Stamps:

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### 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. \_\_\_\_\_