

May 10, 2023

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai - 400 001

Dear Sir,

Sub:Submission of Draft Letter of Offer in respect of the proposed Open Offer to the shareholders of Unichem Laboratories Limited under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [SEBI SAST Regulations] by Ipca Laboratories Limited

This is in continuation to our letter dated May 2, 2023.

We have been appointed as Manager to the above referred Open Offer being made by Ipca Laboratories Limited ("Acquirer") to the Shareholders of Unichem Laboratories Limited ("Target Company").

The Public Announcement in terms of Regulation 14(1) of the SEBI SAST Regulations was made on April 24, 2023 followed by publication of Detailed Public Statement (DPS) on May 2, 2023 in terms of Regulation 13(4).

In this connection, we submit to you copy of draft Letter of Offer (DLOF) in compliance with Regulation 18 (1) of SEBI SAST Regulation for the captioned Open Offer.

Thanking you,

Yours faithfully,
For Arihant Capital Markets Limited


Sundar Rangan
Head - Merchant Banking

Encl : as above

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer (LOF) is sent to you as a Public Shareholder(s) of **Unichem Laboratories Limited** ("Target Company" / "TC"). If you require any clarification(s) about the action to be taken, you may consult your stock broker or investment consultant and for any clarifications about process of the Offer, you may contact Manager to the Offer/ Registrar to the Offer. In case you have recently sold your Shares in the Target Company, please hand over this LOF and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER by

**Ipca Laboratories Limited**

Registered Office at 48, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067
Tel : 022-62106050; Fax : 022-62105005; e-mail : harish.kamath@ipca.com; CIN : L24239MH1949PLC007837

to the existing Public Shareholders of

**UNICHEM**
LABORATORIES LIMITED

Registered Office : Unichem Bhavan, Prabhat Estate, Off S.V. Road, Jogeshwari West, Mumbai – 400102.
CIN : L99999MH1962PLC012451; Tel: 022-66888333; e-mail : shares@unichemlabs.com; website : www.unichemlabs.com

TO ACQUIRE UPTO 1,83,05,495 fully paid-up Equity Shares of face value Rs. 2/- each, representing in aggregate 26% of the fully diluted voting Equity Share Capital of the Target Company, for cash at a price of Rs. 440/- per Equity Share ("Offer Price").

Notes:

1. This Open Offer is being made by Ipca Laboratories Limited ("the Acquirer") pursuant to the Regulation 3(1) and 4 of Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI SAST Regulations") for substantial acquisition of shares/voting rights accompanied with change in control and management of the Target Company.
2. This Offer is not conditional to any minimum level of acceptance.
3. This is not a competing offer.
4. Other than as set out in the section "Statutory and Other Approvals" appearing on Page 27 of this DLOF, i.e. the approval of Competition Commission of India under the Competition Act, 2022, as on the date of this DLOF, to the best of the knowledge of the Acquirer, there are no other statutory or regulatory approvals required by the Acquirer, to acquire the Equity Shares validly tendered by the Public Shareholders pursuant to this Open Offer. However, in case of any other statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period (as defined hereinafter), this Open Offer would be subject to the receipt of such approvals. The application for Required Statutory Approval is in the process of being filed.
5. The Acquirer may revise the Offer Price at anytime upto 1 (one) working day prior to the opening of the tendering period of the Offer. Any upward revision/withdrawal, if any, of the Offer would be informed by way of another Announcement in the same newspapers and editions in which the original Detailed Public Statement had appeared. Consideration at the same rate will be paid by the Acquirer for all equity shares tendered anytime during the Offer.
6. **There was no competing offer**
7. A copy of the Public Announcement, Detailed Public Statement and the DLOF (including Form of Acceptance-cum-Acknowledgement) are also available on Securities and Exchange Board of India's (SEBI) website: www.sebi.gov.in

MANAGER TO THE OFFER**REGISTRAR TO THE OFFER****Arihant Capital Markets Limited**
Merchant Banking Division

SEBI REGN NO.: INM 000011070
#1011, Solitaire Corporate Park, Guru Hargovindji Road,
Chakala, Andheri (E), Mumbai – 400 093
Tel : 022-42254800; Fax : 022-42254880
Email: mbd@arihantcapital.com; Website: www.arihantcapital.com
Contact Persons: Mr. Amol Kshirsagar / Mr. Satish Kumar P

**Link Intime India Private Limited**

C 101, 1st floor, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400083,
Maharashtra, India.
Tel : + 91-810 811 4949; Fax : +91-22-49186195
Email : unichemlabs.offer@linkintime.co.in
Website : www.linkintime.co.in
Contact Person : Mr. Sumeet Deshpande
SEBI Registration Number: INR000004058

The Schedule of activities is as follows:

| Activity | Schedule |
|---|--------------------------|
| Public Announcement Date | Monday, April 24, 2023 |
| Detailed Public Statement Date | Tuesday, May 2, 2023 |
| Filing of draft Letter of Offer with SEBI | Wednesday, May 10, 2023 |
| Last date for competing offer | Wednesday, May 24, 2023 |
| Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Managers to the Open Offer) | Wednesday, May 31, 2023 |
| Identified Date (Identified date is only for the purpose of determining the shareholders to whom the LOF shall be sent) | Friday, June 2, 2023 |
| Date by which LOF will be despatched to the shareholders | Friday, June 9, 2023 |
| Last date by which a committee of independent directors of the Target Company is required to publish its recommendation to the shareholders of the Target Company for this Open Offer | Wednesday, June 14, 2023 |
| Date of publication of Open Offer opening public announcement, in the Newspapers in which the Detailed Public Statement has been published | Thursday, June 15, 2023 |
| Date of commencement of tendering period (open date) | Friday, June 16, 2023 |
| Date of expiry of tendering period (closure date) | Friday, June 30, 2023 |
| Date by which all requirements including payment of consideration would be completed | Friday, July 14, 2023 |

The above timelines are indicative (prepared based on the timelines provided under SEBI SAST Regulations) and are subject to relevant approvals from statutory / regulatory authorities and may have to revised accordingly.

All Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker") and tender their shares, during the normal trading hours of the secondary market during tendering period. The Equity Shares and other relevant documents should not be sent to the Acquirer or the Manager to the Offer or the Target Company.

RISK FACTORS

Risk Factors relating to the proposed Offer

1. The Open Offer is an open offer under the SEBI SAST Regulations to acquire up to 1,83,05,495 Equity Shares representing 26.00% of the Equity Share Capital from the Public Shareholders. If the number of Equity Shares validly tendered by the Public Shareholders under this Open Offer is more than the Offer Size, then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 1,83,05,495 Equity Shares, representing 26.00% of the Equity Share Capital. Accordingly, there is no assurance that all the Equity Shares tendered by the Public Shareholders in the Open Offer will be accepted. The lien marked against the unaccepted Equity Shares tendered by the Public Shareholders shall be released in accordance with the schedule of activities for the Open Offer.
2. In the event that either (a) the regulatory approvals are not received in a timely manner; (b) there is any litigation leading to a stay on this Offer, or (c) SEBI instructs the Acquirer to comply with certain conditions before proceeding with the offer, then the offer procedure may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Public Shareholders of the Target Company, whose Shares have been accepted in the Offer as well as the return of Shares / release of lien marked on shares not accepted by the Acquirer, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI SAST Regulations.
3. **As per Regulation 18(9) of SEBI SAST Regulations, Shareholders who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period, even if the acceptance of shares under the Offer and dispatch of consideration gets delayed.**
4. The tendered shares and the documents would be held in trust with the Clearing Corporation / Registrar to the Offer until the completion of Offer formalities and during this period, Public Shareholders who have tendered their shares in the Offer will not be able to trade in the shares on the Stock Exchanges or take advantage of upward movement in the share price, if any. Accordingly, the Acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.
5. Other than as set out in the section "Statutory and Other Approvals" appearing on Page 27 of this DLOF, as on the date of this DLOF, to the best of the knowledge of the Acquirer, there are no other statutory or regulatory approvals required by the Acquirer, to acquire the Equity Shares validly tendered by the Public Shareholders pursuant to this Open Offer. However, in case of any other statutory or regulatory approvals being required and/or becoming applicable at a later date before the closing of the Tendering Period (as defined hereinafter), this Open Offer would be subject to the receipt of such approvals.
6. The acquisition of Equity Shares under the Open Offer from Public Shareholders (resident and non-resident) is subject to all approvals required to be obtained by such Shareholders in relation to the Open Offer and the transfer of Equity Shares held by them to the Acquirer. If Shareholders who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for acquiring / holding the Equity Shares, in order to tender the Equity Shares held by them in this Open Offer, along with the other documents required to be tendered to accept this Open Offer. Such Shareholders shall also seek appropriate approvals from the RBI or any other regulatory body, if required, to tender their Equity Shares in the Open Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Open Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non-repatriable basis.

7. This LOF has not been filed, registered or approved in any jurisdiction outside India. Recipients of the LOF residing in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in any foreign jurisdictions covered under the "General Disclaimer" clause in Section II (Disclaimer Clause) of this LOF and cannot be accepted by any means or instrumentality from within any such foreign jurisdictions.
8. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the Draft Letter of Offer (DLOF), Detailed Public Statement (DPS) and Public Announcement (PA). Anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at his / her / its own risk.

Probable risks involved in associating with the Acquirer

1. The Acquirer make no assurance with respect to the financial performance of the Target Company after completion of Open Offer and disclaims any responsibility with respect to any decision by the Public Shareholders on whether or not to participate in the Offer.
2. The Acquirer make no assurance with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
3. The Acquirer does not provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer.

The risk factors set forth above, pertain to the Offer and associating with the Acquirer, and are not in relation to the present or future business or operations of the Target Company or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbrokers or investment consultants, if any, for analysing all the risks with respect to their participation in the Offer.

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1. DEFINITIONS/ABBREVIATIONS

The following definitions apply through this document, unless the context requires otherwise:

| | | |
|-----|----------------------------------|--|
| 1. | Acquirer | Ipca Laboratories Limited |
| 2. | Book Value | Book Value of each Equity Share as on the date referred to i.e. Net worth divided by number of outstanding shares |
| 3. | BSE | BSE Limited |
| 4. | DPS/ Detailed Public Statement | Announcement of this Offer published on behalf of the Acquirer to the Shareholders of the Target Company on May 2, 2023 in Business Standard, English and Hindi (all editions) and Mumbai Lakshadeep (Mumbai) |
| 5. | DLOF | Draft Letter of Offer |
| 6. | Eligible Person(s) for the Offer | All owners (registered or unregistered) of Equity Shares of Target Company any time before the closure of the Offer (other than the Promoters and Acquirer) |
| 7. | EPS | Earnings per Equity Share |
| 8. | Equity Share Capital | The total voting equity share capital of the Target Company on a fully diluted basis as of the 10th (Tenth) working day from the closure of the tendering period for the Open Offer |
| 9. | FOA/Form of Acceptance | Form Of Acceptance Cum Acknowledgement |
| 10. | Identified Date | Being the date for the purpose of determining the names of the Shareholders to whom the Letter of Offer will be sent |
| 11. | Letter of Offer / LOF | This Letter of Offer |
| 12. | Maximum Consideration | Total consideration payable by the Acquirer under this Offer assuming full acceptance by Eligible Person(s) for the Offer, amounting to Rs. 805,44,17,800/- (Rupees Eight Hundred Five Crores Forty Four Lakhs Seventeen Thousand Eight Hundred only) at the current offer price |

| | | |
|-----|--|--|
| 13. | Merchant Banker / Manager to the Offer | Arihant Capital Markets Limited |
| 14. | NAV | Net Asset Value per Equity Share |
| 15. | NSE | National Stock Exchange of India Limited |
| 16. | NRI(s) | Non Resident Indians and persons of Indian origin residing abroad |
| 17. | Offer | Open Offer being made by the Acquirer for acquisition of upto 1,83,05,495 Equity Shares to the public shareholders, representing 26% of the fully diluted paid up voting equity share capital of the Target Company at the Offer Price payable in cash |
| 18. | Offer Price | Rs. 440/- per Equity Share payable in cash |
| 19. | Public Announcement or PA | Public Announcement filed on April 24, 2023 with BSE, NSE, the Target Company and SEBI |
| 20. | Public Shareholders | All the equity shareholders of the Target Company excluding: (i) the promoters and members of the promoter group of the Target Company; (ii) the Acquirer and any persons deemed to be acting in concert with the Acquirer; and (iii) the parties to the Share Purchase Agreement (as defined below) and any persons deemed to be acting in concert with the parties to the Share Purchase Agreement |
| 21. | PAT | Profit After Tax |
| 22. | PBDIT | Profit Before Depreciation, Interest and Tax |
| 23. | PBT | Profit Before Tax |
| 24. | RBI | Reserve Bank of India |
| 25. | Registrar to the Offer | Link Intime India Private Limited |
| 26. | Required Statutory Approvals | Approval from the Competition Commission of India under the Competition Act, 2002, for consummation of the Transaction |
| 27. | SEBI | Securities and Exchange Board of India |
| 28. | SEBI LODR Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended till date |
| 29. | SEBI SAST Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 as amended till date |
| 30. | Seller | Dr. Prakash Amrut Mody |
| 31. | Share(s) | Fully paid-up Equity Shares of face value of Rs. 2/- each of the Target Company |
| 32. | Share Purchase Agreement or SPA | Share Purchase Agreement dated April 24, 2023, being the underlying transaction, entered into by and amongst the Seller, Acquirer and the Target Company |
| 33. | Target Company/ the Company | Company whose Equity Shares are proposed to be acquired viz. Unichem Laboratories Limited |
| 34. | Tendering Period | Period within which shareholders may tender their shares in acceptance of this Open Offer i.e. from June 16, 2023 to June 30, 2023 (both dates inclusive) |
| 35. | Transaction | Collectively the Underlying Transaction i.e. the Share Purchase Agreement and the Open Offer |
| 36. | Underlying Transaction | The proposed sale and purchase of Equity Shares under the Share Purchase Agreement (as explained in paragraph 3.1.2 (Background of the Offer) appearing on page 9 of this Draft Letter of Offer |

All capitalized terms used in this Draft Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI SAST Regulations, SEBI LODR Regulations 2015 and in the Companies Act, 2013 as amended till date.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF UNICHEM LABORATORIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER M/S. ARIHANT CAPITAL MARKETS LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 10, 2023 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

GENERAL DISCLAIMER

THE LETTER OF OFFER, THE DRAFT LETTER OF OFFER, THE DETAILED PUBLIC STATEMENT AND THE PUBLIC ANNOUNCEMENT IN CONNECTION WITH THE OFFER, HAVE BEEN PREPARED FOR THE PURPOSES OF COMPLIANCE WITH THE SEBI SAST REGULATIONS. ACCORDINGLY, THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS DOCUMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS AND REGULATIONS OF ANY JURISDICTION OUTSIDE OF INDIA. NEITHER THE PUBLICATION OF THE DETAILED PUBLIC STATEMENT NOR THE DELIVERY OF THE LETTER OF OFFER, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE TARGET COMPANY OR THE ACQUIRER, SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS AT ANY TIME SUBSEQUENT TO THIS DATE. IT IS NOT TO BE IMPLIED THAT THE ACQUIRER IS UNDER ANY OBLIGATION TO UPDATE THE INFORMATION CONTAINED HEREIN AT ANY TIME AFTER THIS DATE. NO ACTION HAS BEEN OR WILL BE TAKEN TO PERMIT THIS OFFER IN ANY JURISDICTION WHERE ACTION WOULD BE REQUIRED FOR THAT PURPOSE. THE LETTER OF OFFER SHALL BE DISPATCHED TO ALL SHAREHOLDERS WHOSE NAME APPEARS ON THE REGISTER OF MEMBERS OF THE TARGET COMPANY, AT THEIR STATED ADDRESS, AS OF THE IDENTIFIED DATE. HOWEVER, RECEIPT OF THE LETTER OF OFFER BY ANY SHAREHOLDER IN A JURISDICTION IN WHICH IT WOULD BE ILLEGAL TO MAKE THIS OFFER, OR WHERE MAKING THIS OFFER WOULD REQUIRE ANY ACTION TO BE TAKEN (INCLUDING, BUT NOT RESTRICTED TO, REGISTRATION OF THE LETTER OF OFFER UNDER ANY LOCAL SECURITIES LAWS), SHALL NOT BE TREATED BY SUCH SHAREHOLDER AS AN OFFER BEING MADE TO THEM AND SHALL BE CONSTRUED BY THEM AS BEING SENT FOR INFORMATION PURPOSES ONLY. PERSONS IN POSSESSION OF THE LETTER OF OFFER ARE REQUIRED TO INFORM THEMSELVES OF ANY RELEVANT RESTRICTIONS. ANY SHAREHOLDER WHO TENDERS HIS, HER OR ITS EQUITY SHARES IN THIS OFFER SHALL BE DEEMED TO HAVE DECLARED, REPRESENTED, WARRANTED, AND AGREED THAT HE, SHE OR IT IS AUTHORISED UNDER THE PROVISIONS OF ANY APPLICABLE LOCAL LAWS, RULES, REGULATIONS AND STATUTES TO PARTICIPATE IN THIS OFFER.

DISCLAIMER FOR PERSONS IN THE UNITED STATES

This Offer is made for the securities of an Indian company and is subject to the laws of India. The Offer is subject to disclosure requirements of India that are different from those of the United States. The financial information in relation to the Target Company included in this document was excerpted from financial statements prepared in accordance with non-US accounting standards that may not be comparable to the financial statements of United States companies. This Letter of Offer has not been filed with or reviewed by the US Securities and Exchange Commission or any US state securities regulators. It is important for securities holders of the Target Company in the U.S. to be aware that this Letter of Offer is subject to the tender offer laws and regulations of India, which are different from those in the U.S., and has been prepared in accordance with Indian laws, the format and style of which differs from customary U.S. format and style.

DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES

This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer resident in jurisdictions outside India should inform themselves of and observe any applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to the applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. Receipt of the Letter of Offer by any Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of this Letter of Offer under any local securities laws), shall not be treated by such Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only. This Letter of Offer does not in any way constitute an offer to purchase or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Persons in possession of this Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Shareholder who tenders his, her or its Equity Shares in the Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorised under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Offer.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

- 3.1.1 This Open Offer is being made by Ipca Laboratories Limited (“Acquirer”), a company incorporated under the Indian Companies Act, 1913 on October 19, 1949 with the Registrar of Companies, Maharashtra, Mumbai, having its registered office at 48, Kandivli Industrial Estate, Kandivli (West), Mumbai - 400 067; Tel : 022-62106050; Fax : 022-62105005; e-mail:harish.kamath@ipca.com
- 3.1.2 On April 24, 2023, a Share Purchase Agreement (SPA) has been entered into by and amongst the Seller, the Acquirer and the Target Company, pursuant to which the Seller has agreed to sell to the Acquirer and the Acquirer has agreed to acquire from the Seller 2,35,01,440 Equity Shares of the Target Company representing 33.38% of the Equity Share Capital, completion of which is subject to the satisfaction of certain conditions precedent (including, but not limited to, receipt of the Required Statutory Approvals) under the Share Purchase Agreement. The sale of such Equity Shares under the SPA is proposed to be executed at a price of Rs. 440/- (Rupees Four Hundred Forty only) per Equity Share. The SPA also sets forth the terms and conditions agreed to between the Acquirer and the Seller and their respective rights and obligations.
- 3.1.3 The proposed sale and purchase of Equity Shares under the Share Purchase Agreement (as explained in paragraph 3.1.2 above is referred to as the “Underlying Transaction”.
- 3.1.4 Since the Acquirer has entered into an agreement to acquire voting rights in excess of 25% of the Equity Share Capital and for control over the Target Company, this Open Offer is being made under Regulations 3(1) and 4 of the SEBI SAST Regulations to acquire upto 1,83,05,495 Equity Shares of face value of Rs.2/- each at a price of Rs. 440/- (Rupees Four Hundred Forty only) per Equity Share, representing 26% of the fully diluted voting Equity Share capital of the Target Company from the public shareholders of the Target Company.
- 3.1.5 Pursuant to the consummation of the Underlying Transaction (contemplated under the SPA) and subject to compliance with the SEBI SAST Regulations, the Acquirer will acquire control over the Target Company, including to direct management policy, to conduct / oversee day to day management of the Target Company, to control the composition of the Board of the Target Company (including to nominate non-independent directors) etc. and shall become a promoter of the Target Company including in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”).
- 3.1.6 This Open Offer is made to acquire upto 1,83,05,495 Equity Shares of face value of Rs.2/- each at a price of Rs. 440/- (Rupees Four Hundred Forty only) per Equity Share, representing 26% of the fully diluted voting Equity Share capital of the Target Company from the Public Shareholders of the Target Company in terms of Regulation 3(1) and 4 of SEBI SAST Regulations for the purpose of substantial acquisition of Equity Shares and voting rights of the Target Company accompanied with the change in control and management. The aggregate equity stake of the Acquirer in the paid-up equity share capital of the Target Company will be more than the stipulated threshold of 25% consequent to the acquisition of Shares as detailed above.

The shareholding of the Seller (pre and post SPA) in the Target Company would be as under:

| Name | Pre-SPA | | Post-SPA | |
|--------------------|--------------------|--------------|------------------|--------------|
| | Shares | % | Shares | % |
| Dr Prakash A. Mody | 3,24,99,392 | 46.16 | 89,97,952 | 12.78 |
| Total | 3,24,99,392 | 46.16 | 89,97,952 | 12.78 |

The Seller would continue to hold 89,97,952 Equity Shares constituting 12.78% of the paid-up capital of the Company post the execution of the above SPA. As on date, the Acquirer does not hold any Equity Shares in the Target Company.

3.1.7 The Acquirer has complied with the requirements of escrow provided under Regulation 22(2) of the SEBI SAST Regulations.

3.1.8 The salient features of the SPA are:

- (1) The Share Purchase Agreement sets forth the terms and conditions agreed between the Acquirer and the Seller and their respective rights and obligations.
- (2) The consummation of the Underlying Transaction is subject to the fulfilment of the conditions precedent as specified under the Share Purchase Agreement, including the following key conditions precedent: (a) Approval from Competition Commission of India in respect of the transaction contemplated in the SPA; (b) Receipt by Seller of requisite approvals from the bankers of the Target Company in accordance with the requirements of the arrangements with such banks wherever applicable.
- (3) There shall not be in effect any judgment, injunction, decree or similar order of any court or other authority or under applicable Law restricting or otherwise preventing the consummation of the transactions contemplated in the SPA by the Seller / Acquirer / Target Company.
- (4) Upon consummation of the SPA and completion of Open Offer procedures, in terms of the SPA, the Seller and the Acquirer shall become co-promoters. However, it is expressly agreed, the Acquirer shall have the sole control over the Target Company (including to direct management policy, to conduct / oversee day to day management of the Company, to control the composition of the Board of the Target Company (including to nominate non-independent directors) etc).
- (5) The SPA contains inter alia provisions in relation to certain representations, warranties and indemnities provided by the Seller to the Acquirer.
- (6) The Underlying Transaction may be undertaken in tranches and the Seller has the sole discretion to determine the manner of implementation of the Underlying Transaction as per the terms of the SPA and subject to applicable law.
- (7) The Seller and the Acquirer shall become co-promoters in connection with the completion of Transaction, however, it is expressly agreed that: (a) neither this fact nor anything in the SPA (or any of the arrangements contemplated herein) shall be deemed to constitute a partnership amongst the Acquirer and the Seller, nor constitute any party as the agent of another party for any purpose, or entitle any party to commit or bind another party in any manner; and (b) on and from the last of the completion dates (as defined in the SPA), the Acquirer shall have the sole control over the Target Company (including to direct management policy, to conduct / oversee day to day management of the Company, to control the composition of the Board of the Company (including to nominate non-independent directors) etc).
- (8) If at any time after the completion date (as defined in the SPA), the Seller is desirous of being declassified as a "promoter" of the Target Company (as permitted under applicable Law), the Company and the Acquirer shall take all actions and steps as are required to declassify the Seller as a promoter, (and Seller's Affiliates (as defined in the SPA) as 'promoter group', as applicable).

3.1.9 Apart from the consideration of Rs. 1034,06,33,600/- (@ Rs. 440/- per Equity Share for 2,35,01,440 Equity Shares) as envisaged under the SPA, no other compensation, directly or indirectly, is payable to the Seller. The total consideration is paid / payable in cash for both under the SPA and the present Open Offer.

- 3.1.10 The Acquirer intends to gain control over the Target Company and make changes in the Board of Directors of the Target Company in accordance with the provisions of SEBI SAST Regulations / SEBI LODR Regulations.
- 3.1.11 There is no person acting in concert (PAC) with the Acquirer for the purpose of this Open Offer.
- 3.1.12 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.
- 3.1.13 The Board of the Target Company shall in accordance with Regulation 26(6) of the SEBI SAST Regulations, constitute a committee of independent directors who would provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company. In accordance with Regulation 26(7), the committee of independent directors of the Target Company shall provide their reasoned recommendations on this Open Offer to its shareholders and the Target Company shall in accordance with Regulation 26(6), cause to publish such recommendation atleast two working days before the commencement of the tendering period, in the same newspapers where the Detailed Public Statement (DPS) of the Offer was published.
- 3.1.14 The Acquirer intends to gain control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer or in accordance with Regulation 22(2) and 24(1) and other applicable provisions of SEBI SAST Regulations as they may deem fit

3.2 Details of the proposed Offer

- 3.2.1 The Acquirer is making the Open Offer in terms of Regulation 3(1) and 4 of the SEBI SAST Regulations as aforesaid, to the Public Shareholders of the Target Company, to acquire up to 1,83,05,495 Equity Shares of Rs. 2/- each representing 26% of the Equity Share Capital of the Target Company, at a price of Rs. 440/- per Share ("Offer Price"), payable in cash, subject to the terms and conditions set out in the Public Announcement, DPS and this Draft Letter of Offer.
- 3.2.2 The Public Announcement was made and filed with the BSE, NSE, SEBI and the Target Company on April 24, 2023. A copy of the Public Announcement is also available on the website of SEBI (www.sebi.gov.in).
- 3.2.3 The Detailed Public Statement, as per Regulation 14 (3) of the SEBI SAST Regulations, was published in the following Newspapers on May 2, 2023 :

| Newspaper | Language of the Newspapers | Editions |
|-------------------|----------------------------|----------|
| Business Standard | English and Hindi | All |
| Mumbai Lakshadeep | Marathi | Mumbai |

Copy of the detailed public statement is also available at SEBI's website: www.sebi.gov.in.

- 3.2.4 The Offer price is Rs. 440/- per Equity Share. There are no partly paid up equity shares.
- 3.2.5 There is no differential pricing for the shares proposed to be acquired under the Open Offer.
- 3.2.6 This is not a competing offer.

- 3.2.7 The Offer is not subject to any minimum level of acceptance from the shareholders i.e. it is not a conditional offer and the Acquirer will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 1,83,05,495 Equity Shares that are tendered in the valid form in terms of the Offer subject to the terms and conditions mentioned in the DPS and the Letter of Offer (“LOF”) mailed to the shareholders of the Target Company.
- 3.2.8 All the shares to be tendered in the Open Offer shall be free from lien, charge and encumbrances of any kind whatsoever.
- 3.2.9 There was no competing offer.
- 3.2.10 The current and the proposed shareholding of the Acquirer are as under:

| Details | No. of Shares | % to paid-up Equity |
|---|---------------|---------------------|
| 1. Shareholding as on the Public Announcement (PA) date | Nil | - |
| 2. Shares acquired between the PA date and the DLOF date | Nil | - |
| 3. Post Offer shareholding on diluted basis, as on 10th working day after closing of tendering period assuming no equity shares are tendered in the Open Offer (see Note 1) | 2,35,01,440 | 33.38 |
| 4. Post Offer shareholding on diluted basis, as on 10th working day after closing of tendering period assuming tender and acceptance of entire 26% under the Open Offer | 4,18,06,935 | 59.38 |

Note:

1. This is assuming that the Acquirer consummates the Share Purchase Agreement within 10 working days after closure of the Tendering Period for the Open Offer.
2. The Acquirer and its promoters / directors do not have any shareholding in the Target Company as on the date of this DLOF.

3.3 Object and Purpose of Acquisition/offer and Future Plans

- 3.3.1 The Acquirer intends to gain control over the Target Company and make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer or in accordance with Regulation 22(2) and 24(1) and other applicable provisions of SEBI SAST Regulations as they may deem fit.
- 3.3.2 The Target Company is an international, integrated, specialty pharmaceutical Company. It manufactures and markets a large basket of pharmaceutical formulations as branded generics as well as generics and APIs in several markets across the world including the major ones being US and Europe. The Acquirer believes that the Target Company has a proven quality track record with a differentiated capability which is highly complementary to Acquirer’s strengths. Accordingly, the acquisition is in line with Acquirer’s strategy to enhance its portfolio in its chosen growth markets and Acquirer and the Target Company would be well positioned to successfully integrate their respective product offerings and grow their respective businesses.

- 3.3.3 The Acquirer does not have any plans to dispose of or otherwise encumber any material assets of the Target Company or of any of its subsidiaries in the next 2 (two) years, except: (i) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business requirements); or (ii) with the prior approval of the shareholders of the Target Company; or (iii) to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or business of the Target Company; or (iv) in accordance with the prior decision of board of directors of the Target Company.
- 3.3.4 The Acquirer has not formulated any proposal as on the date of this Draft Letter of Offer which may have an adverse material impact on the employees of the Target Company and the locations of its places of business.

4 BACKGROUND OF THE ACQUIRER

4.1 Information about the Acquirer :

- 4.1.1 The Acquirer was incorporated on October 19, 1949 under the Companies Act, 1913, with the Registrar of Companies, Maharashtra, Mumbai, as The Indian Pharmaceutical Combine Association Limited. The name of the Acquirer was changed to Ipca Laboratories Limited and a fresh Certificate of Incorporation consequent on change of name was issued by the Assistant Registrar of Companies, Maharashtra on August 6, 1964. The name of the Acquirer was again changed to Ipca Laboratories Private Limited on January 13, 1966 and a fresh Certificate of Incorporation consequent on change of name was issued by the Assistant Registrar of Companies, Maharashtra. The status of the Acquirer was later changed to deemed public company by deleting "private" from its name pursuant to Section 43A(1-A) of the Companies Act, 1956 by the Assistant Registrar of Companies, Maharashtra on August 9, 1988. Vide Certificate of Change of Name issued by the Additional Registrar of Companies, Maharashtra, Mumbai on January 7, 1994, the status of the Acquirer was changed from "deemed public Company" to "full-fledged public Company". The Equity Shares of the Acquirer are listed on BSE and NSE.
- 4.1.2 The Registered Office of the Acquirer is situated at 48, Kandivli Industrial Estate, Kandivli (West), Mumbai-400067; Tel:022-62106050; Fax:022-62105005; e-mail: harish.kamath@ipca.com. The Acquirer does not belong to any group.
- 4.1.3 The promoter of the Acquirer is Mr. Premchand Godha. The other members of the promoter group of the Acquirer include his family members along with the family members of Late Madhukar R. Chandurkar and companies controlled by them. The Acquirer is engaged in the manufacturing and marketing of Drug Intermediates, Active Pharmaceutical Ingredients (APIs) and Formulations.

The Equity Share Capital of the Acquirer as on date is as under :

| Face Value | Re. 1/- per Equity Share |
|-----------------------------|--|
| Authorised Capital | 57,00,00,000 Equity Shares of Re. 1/- each aggregating Rs. 57,00,00,000/- (Rupees Fifty Seven Crores only) |
| Issued & Subscribed Capital | 25,62,66,408 Equity Shares of Re. 1/- each aggregating Rs. 25,62,66,408/- (Rupees Twenty Five Crores Sixty Two Lakhs Sixty Six Thousand Four Hundred Eight only) |
| Paid-up Capital | 25,37,04,218 Equity Shares of Re. 1/- each aggregating Rs. 25,37,04,218/- (Rupees Twenty Five Crores Thirty Seven Lakhs Four Thousand Two Hundred Eighteen only) |

4.1.3 The details of the promoters / promoter group of the Acquirer and their shareholding are:

| S. No. | Name of the Promoter | Number of Shares | % of total capital |
|--------|---|---------------------|--------------------|
| 1 | Premchand Godha | 58,14,680 | 2.29 |
| 2 | Usha Chandurkar | 83,02,000 | 3.28 |
| 3 | Usha P Godha | 24,18,740 | 0.95 |
| 4 | Sameer Chandurkar | 20,00,000 | 0.79 |
| 5 | Prashant Godha | 15,68,644 | 0.62 |
| 6 | Pranay Godha | 17,00,990 | 0.67 |
| 7 | Kalpana Jain | 2,30,000 | 0.09 |
| 8 | Bhawna Godha | 5,000 | - |
| 9 | Neetu Godha | 4,000 | - |
| 10 | Nirmal Jain | - | - |
| 11 | Kaygee Investments Private Limited | 5,44,78,390 | 21.47 |
| 12 | Kaygee Laboratories Private Limited | 1,67,70,000 | 6.61 |
| 13 | Chandurkar Investments Private Limited | 1,39,56,010 | 5.50 |
| 14 | Paschim Chemicals Pvt Ltd | 1,01,38,000 | 4.00 |
| 15 | Xbees Traders LLP (formerly Paranthapa Investments And Traders Pvt Ltd) | 31,000 | 0.01 |
| 16 | Mexin Medicaments Private Limited | 14,058 | 0.01 |
| 17 | Makers Laboratories Limited | 960 | - |
| | Total | 11,74,32,472 | 46.29 |

Mr. Premchand Godha, Promoter of the Acquirer, aged 75 years, residing at Mumbai, is a qualified Chartered Accountant. He has over 4 decades of experience in the Pharma Industry. Mr. Godha is the Executive Chairman of the Acquirer and is also on the Board of various companies.

Late Madhukar R Chandurkar was also one of the Promoter of the Acquirer. Consequent to his demise on June 21, 2022, his shareholding in the Acquirer was transferred to his wife Mrs Usha Chandurkar, who is part of the promoter group of the Acquirer.

Brief details of the corporate promoters of the Acquirer

| Name of the entity | Promoters | Paid-up Equity/Rs. | Activities |
|---|---|-------------------------------|--|
| Kaygee Investments Pvt. Ltd. | Mr. Premchand Godha and his family members | 23,82,820/- | Investments |
| Kaygee Laboratories Pvt. Ltd. | Mr. Premchand Godha and his family members | 9,46,36,000/- | Manufacturing/ marketing of fine chemicals |
| Chandurkar Investments Pvt. Ltd. | Family members of Late M. R. Chandurkar | 36,64,400/- | Investments |
| Paschim Chemicals Pvt Ltd | Mr. Premchand Godha and his family members | 4,16,55,600/- | Trading activities |
| Xbees Traders LLP (formerly Paranthapa Investments And Traders Pvt Ltd) | Mr. Premchand Godha and his family members | Limited Liability Partnership | Investments |
| Makers Laboratories Limited | Mr. Premchand Godha and his family members / associates | 5,90,03,760 | Manufacturing & marketing of Formulations |
| Mexin Medicaments Pvt. Ltd. | Mr. Premchand Godha and his family members / associates | 4,24,96,000/- | Currently not carrying out any activities |

4.1.4 Save for the shares agreed to be acquired under the SPA, as on the date of the PA, the Acquirer does not hold any Equity Shares in the Target Company.

4.1.5 Shareholding pattern of the Acquirer

The paid-up equity share capital of Ipca Laboratories Limited is Rs. 25,37,04,218/- divided into 25,37,04,218 Equity Shares of Re. 1/- each. The shareholding pattern as on March 31, 2023 is as under :

| Sr. No | Shareholders | No. of Equity Shares | % of shareholding |
|--------|---|----------------------|-------------------|
| 1 | Promoters& associates | 11,74,32,472 | 46.29 |
| 2. | FII/Mutual Funds/FIs/Banks / Government | 11,32,63,385 | 44.64 |
| 3. | Public (including bodies corporate, NRIs, clearing members etc) | 2,30,08,361 | 9.07 |
| | Total | 25,37,04,218 | 100.00 |

4.1.6 The details of Board of Directors of the Acquirer as on date are :

| Name, address& DIN | Date of Appointment | Qualification | Experience |
|--|---------------------|-----------------|--|
| Mr. Premchand Godha 1701/02 Oberoi Sky Heights Lokhandwala Complex Andheri (W) Mumbai - 400 053 DIN : 00012691 | 31.10.1975 | B.Com., ACA | Over 4 decades of experience in the Pharma Industry |
| Mr. A.K. Jain 1203/1204 Ozone Rustomjee Tower No. 5, B/h Telephone Exchange Mulund Link Road, Goregaon (W), Mumbai - 400 062 DIN : 00012657 | 21.08.1994 | B.Sc., ACA | Over 4 decades of experience in the Pharma Industry |
| Mr. Pranay Godha 1701/02 Oberoi Sky Heights Lokhandwala Complex Andheri (W) Mumbai - 400 053 DIN : 00016525 | 11.11.2008 | B.Sc, MBA | Over 2 decades of experience in marketing and General Management |
| Mr. Prashant Godha 1701/02 Oberoi Sky Heights Lokhandwala Complex Andheri (W) Mumbai - 400 053 DIN : 00012759 | 28.07.2011 | B.Com, PGDBM | Over 2 decades of experience in marketing and General Management |
| Mr. A.T. Kusre 902 Yashowan, Plot No. 96-97 T.H. Kataria Marg, Mahim Mumbai - 400 016 DIN : 00818477 | 21.01.2010 | M. Tech | Over 3 decades of experience in designing and managing programs aimed at development & commercialisation of technologies |

| Name, address& DIN | Date of Appointment | Qualification | Experience |
|--|---------------------|--------------------------|--|
| Dr. Narendra Mairpady Omkar Altamonte Tower C, Flat No. 3407, Opp Western Exp. Highway Malad (East), Mumbai - 400 097 DIN : 00536905 | 20.10.2022 | B.Com, LLB, CAIIB | Nearly 4 decades of experience in Banking Sector |
| Dr. Manisha Premnath 402 Nishigandh CHS Panchvati Pashan, Dr. Homi Bhabha Road, Pune - 411 008 DIN : 05280048 | 21.09.2014 | Phd | Nearly 2 decades of experience in Biotechnology and support scientific and inventive start-ups |
| Mr. Kamal Kishore Seth Rukmani Villa, 4 th floor 7 th Road, Golibar Point Santacruz (East) Mumbai - 400 055 DIN : 00194986 | 29.03.2019 | B.Com, LLB, FCA, CS, DMS | Nearly 4 decades of experience in multi-national / trans-national companies in senior managerial positions |

None of the above Directors are on the Board of the Target Company. There are no nominee(s) of the Acquirer or the deemed PACs on the Board of Directors of the Target Company.

Interest of the Acquirer in the Target Company

Save for the Acquirer's proposed shareholding through the SPA / Open Offer, the Acquirer and its Directors or key managerial personnel do not have any other interest in the Target Company.

4.1.7 Brief audited financial data (on consolidated basis) of the Acquirer are given hereunder :

Profit & Loss Account

(Rs. in Crores)

| Particulars | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|---|------------|------------|------------|
| Income from operations | 5,829.79 | 5,419.99 | 4,648.71 |
| Other Income | 66.57 | 62.84 | 67.00 |
| Total Income | 5,896.36 | 5,482.83 | 4,715.71 |
| Total Expenditure | 4,520.53 | 3,875.64 | 3,742.01 |
| PBDIT | 1,375.83 | 1,607.19 | 973.70 |
| Depreciation | 232.42 | 209.17 | 210.50 |
| Finance Cost | 7.69 | 9.04 | 16.50 |
| PBT | 1,135.72 | 1,388.98 | 746.70 |
| Share of profit / (loss) of associates and joint ventures | (21.16) | (7.70) | (7.81) |
| Provision for Tax | 224.77 | 240.14 | 135.33 |
| PAT | 889.79 | 1,141.14 | 603.56 |

Balance Sheet

(Rs. in Crores)

| Particulars | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|--|-----------------|-----------------|-----------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| a) Share Capital | 25.37 | 25.37 | 25.27 |
| b) Share Warrants | - | - | 11.94 |
| c) Reserves & Surplus | 5,466.60 | 4,676.28 | 3,590.27 |
| d) Others (non-controlling interest) | 76.92 | 14.53 | 13.63 |
| Total - Shareholders' funds | 5,568.89 | 4,716.18 | 3,641.11 |
| Share application pending allotment | | | |
| Non current Liabilities | | | |
| a) Financial liabilities | 406.79 | 17.38 | 115.99 |
| b) Provisions | 42.73 | 38.56 | 32.23 |
| c) Deferred tax liabilities (net) | 152.58 | 133.55 | 141.82 |
| d) Other non-current liabilities | 1.99 | 2.15 | 2.26 |
| Total - Non-current liabilities | 604.09 | 191.64 | 292.30 |
| Current Liabilities | | | |
| a) Financial liabilities | 1,260.05 | 988.77 | 1,066.04 |
| b) Current tax liabilities (net) | 18.33 | 11.44 | 7.35 |
| c) Provisions | 101.52 | 103.14 | 93.70 |
| d) Other current liabilities | 85.98 | 57.19 | 159.33 |
| Total - Current liabilities | 1,465.88 | 1,160.54 | 1,326.42 |
| TOTAL - EQUITY & LIABILITIES | 7,638.86 | 6,068.36 | 5,259.83 |

| Particulars | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|---|-----------------|-----------------|-----------------|
| ASSETS | | | |
| Non-current Assets | | | |
| a) Property, plant & equipment | 2,187.91 | 1,947.34 | 1,896.32 |
| b) Capital work-in-progress | 293.85 | 183.66 | 70.80 |
| c) Goodwill | 54.16 | 46.60 | 62.44 |
| d) Other intangible assets | 154.61 | 63.04 | 73.84 |
| e) Intangible Assets under development | 12.58 | 51.16 | 62.48 |
| f) Right of use asset | 20.84 | 15.45 | 26.13 |
| g) Investment accounted for using the equity method | 114.69 | 77.26 | 33.66 |
| h) Financial Assets | 296.52 | 197.94 | 148.28 |
| i) Deferred tax assets (net) | 2.02 | 1.95 | 2.01 |
| j) Other non-current assets | 44.51 | 47.00 | 28.16 |
| Total - Non-current assets | 3,181.69 | 2,631.40 | 2,404.12 |
| Current Assets | | | |
| a) Inventories | 1,857.97 | 1,594.81 | 1,323.12 |
| b) Investments | 719.31 | 393.83 | 238.25 |
| c) Trade receivables | 910.78 | 811.75 | 895.20 |
| d) Cash and Bank Balances | 640.66 | 365.07 | 180.92 |
| e) Loans | 10.34 | 1.22 | 2.95 |
| f) Others | 131.64 | 129.44 | 81.04 |
| g) Other Current Assets | 176.01 | 140.84 | 134.23 |
| h) Non-current assets held for sale | 10.46 | - | - |
| Total - Current assets | 4,457.17 | 3,436.96 | 2,855.71 |
| TOTAL ASSETS | 7,638.86 | 6,068.36 | 5,259.83 |

Other financial data

| Particulars | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|----------------------------------|------------|------------|------------|
| Dividend (%) | 400% | 400% | 250% |
| Earnings Per Share (Rs.) (Basic) | 34.85 | 45.01 | 47.77 |
| Return on Networth (%) | 15.98% | 24.20% | 16.58% |
| Book Value per Share (Rs.) | 219.50 | 371.79 | 287.04 |

Unaudited financial results (on consolidated basis) of the Acquirer, for the 9 months ended December 31, 2022 are as under (based on financials as filed with Stock Exchanges with Limited Review by the Statutory Auditors):

| Particulars | (Rs. in Crores) |
|--|-----------------|
| Income from operations | 4,732.69 |
| Other Income | 89.23 |
| Total Income | 4,821.92 |
| Total Expenditure | 3,986.96 |
| PBDIT | 834.96 |
| Depreciation | 192.02 |
| Finance cost | 27.09 |
| PBT | 615.85 |
| Share of profit / (loss) of associates and joint ventures / non-controlling interest | (10.01) |
| Provision for Tax | 204.99 |
| Profit After Tax | 400.85 |
| Share Capital | 25.37 |
| Reserves & Surplus (other equity)* | 5,752.64 |
| Non-controlling interest* | 81.09 |
| Networth* | 5,859.10 |

* as on September 30, 2022

The details of Contingent Liabilities and commitments not provided for as on March 31, 2022 are as under :

| Particulars | (Rs. in Crores) |
|--|-----------------|
| Contingent Liabilities | |
| (a) Claims not acknowledged as debts | 15.36 |
| Amount deposited under protest | (2.57) |
| Sub-total | 12.79 |
| (b) Corporate guarantee given to others | 2.28 |
| (c) Guarantees given by banks in favour of Government and others * | 19.56 |
| (d) Term deposit with Bank as security for short term working capital loan provided to associate company ** | 11.00 |
| (e) Other moneys for which the Company is contingently liable for tax, excise, customs and other matters not accepted by the Company * | 25.11 |
| Amount deposited under protest | (1.07) |
| Sub-total | 24.04 |
| TOTAL | 69.67 |

* It includes Rs. 4.38 crores towards interest and penalty demanded by excise department, Ankleshwar relating to erstwhile Tonira Pharma Limited since amalgamated with the Holding Company and is not payable in accordance with the order passed by the Hon'ble Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad. The Department had moved the Hon'ble Gujarat High Court against the said CESTAT order and as per the order of the said Hon'ble High Court, the Holding Company has furnished a Bank Guarantee of Rs. 2.00 crores to the Department

** Holding Company has provided security by way of lien over the term deposit of Rs. 11.00 crores placed by the company with RBL Bank towards short term credit facility availed by Krebs Biochemicals & Industries Ltd., an Associate company

4.1.8 The Equity Shares of the Acquirer are listed on BSE Limited and National Stock Exchange Limited. As on the date of PA, the closing Market Price of the Equity Shares of the Acquirer was Rs. 825.55 on BSE and Rs. 826.50 on NSE.

4.1.9 Status on Corporate Governance

The Acquirer is compliant with Clause 49 of the Listing Agreement / applicable provisions of the SEBI LODR Regulations, 2015, in respect of Corporate Governance and has been regular in filing of the Compliance Report on Corporate Governance with the Stock Exchanges.

4.1.10 Details of the Compliance Officer of the Acquirer

Mr. Harish P. Kamath, Corporate Counsel & Company Secretary
Address : 125, Kandivli Industrial Estate, Kandivli (West), Mumbai - 400 067
Tel : 022-62106050; Fax : 022-62105005; e-mail : harish.kamath@ipca.com

4.1.11 There are no pending litigations against the Acquirer the outcome of which may materially adversely affect the ability of the Acquirer to complete the Open Offer or discharge its obligations.

4.2 Persons Acting in Concert (PAC) - There are no PACs with the Acquirer for the purpose of this Open Offer

4.3 The Acquirer is not prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") or under any of the Regulations made under the SEBI Act.

4.4 The Acquirer is not a wilful defaulter or a fugitive economic offender.

5. BACKGROUND OF THE TARGET COMPANY

5.1 The Target Company was incorporated on August 22, 1962 under the Companies Act, 1956, with the Registrar of Companies (ROC) Maharashtra, Mumbai. The Certificate of Commencement of Business was obtained from the ROC on March 20, 1963.

The registered office of the Target Company is presently situated at Unichem Bhavan, Prabhat Estate, Off S.V. Road, Jogeshwari West, Mumbai - 400102. The corporate identity number (CIN) of the Target Company is CIN : L99999MH1962PLC012451.

5.2 The shares of the Target Company are listed on BSE and NSE. The closing share price of the Target Company as on the date of the PA was Rs. 386.80 on BSE and Rs. 388.05 on NSE. The trading of shares of the Target Company are not suspended on BSE and NSE.

5.3 Share Capital Structure of the Target Company as on date :

| Paid-up Equity Shares | No. of shares / voting rights | % of shares/ voting rights |
|------------------------------|-------------------------------|----------------------------|
| Fully paid-up Equity Shares | 7,04,05,750 | 100% |
| Partly paid-up Equity Shares | Nil | N.A. |
| Total paid-up Equity Shares | 7,04,05,750 | 100% |
| Total voting rights | 7,04,05,750 | 100% |

The Authorised Capital of the Target Company is Rs. 50,00,00,000/- comprising of :

- (a) 17,50,00,000 Equity Shares of Rs. 2/- each aggregating to Rs. 35,00,00,000/-
- (b) 5,00,00,000 Unclassified Shares of Rs. 2/- each aggregating to Rs. 10,00,00,000/-
- (c) 50,00,000 Preference Shares of Rs. 10/- each aggregating to Rs. 5,00,00,000/-

The issued, subscribed and paid-up capital of the Target Company is Rs. 14,08,11,500/- comprising of 7,04,05,750 Equity Shares of Rs. 2/- each.

5.4 There are no partly paid up equity shares of the Target Company. As on the date of the DLOF, there are no outstanding convertible securities which are convertible into Equity Shares (such as depository receipts, fully convertible debentures, or employee stock options) and / or warrants issued by the Target Company.

5.5 Composition of the Board of Directors:

| Name | DIN | Designation |
|-----------------------------|----------|--------------------------------------|
| Dr. Prakash Amrut Mody | 00001285 | Chairman & Managing Director |
| Mr. Dilip J Kunkolienkar | 02666678 | Executive Director |
| Mr. Prafulbhai Anubhai Shah | 00040837 | Non-Executive - Independent Director |
| Mr. Prafull Sheth | 00184851 | Non-Executive - Independent Director |
| Mr. Anand Mahajan | 00066320 | Non-Executive - Independent Director |
| Mrs. Priti Puri | 07755966 | Non-Executive - Independent Director |

None of the Directors of the Target Company represents the Acquirer.

5.6 The Target Company and its promoters confirm that they are not wilful defaulters and / or fugitive economic offenders.

5.7 There have been no merger/de-merger / spin off during the last 3 years involving the Target Company. There have been no changes in the name of the Target Company since its incorporation.

5.8 Financial Highlights of the Target Company

The brief audited financial details of the Target Company on consolidated basis for the last 3 Financial Years are as under:

Profit & Loss

(Rs. in crores)

| Particulars | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|--|------------|------------|------------|
| Income from operations | 1,269.83 | 1,235.13 | 1,103.71 |
| Other Income | 47.51 | 50.19 | 91.31 |
| Total Income | 1,317.34 | 1,285.32 | 1,195.02 |
| Total Expenditure | 1,197.04 | 1,144.02 | 1,154.54 |
| PBDIT | 120.30 | 141.30 | 40.48 |
| Depreciation | 91.17 | 84.36 | 81.66 |
| Interest | 6.10 | 5.12 | 7.84 |
| Profit before exceptional items & tax | 23.03 | 51.82 | (49.02) |
| Exceptional items | (1.06) | (0.34) | 0.81 |
| PBT | 21.97 | 51.48 | (48.21) |
| Tax (including deferred tax charge / credit) | (11.09) | 17.16 | 11.97 |
| PAT | 33.06 | 34.32 | (60.18) |

Balance Sheet

(Rs. in crores)

| Particulars | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|---|-----------------|-----------------|-----------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share Capital | 14.08 | 14.08 | 14.08 |
| Other Equity | 2,604.33 | 2,542.75 | 2,517.27 |
| Net worth | 2,618.41 | 2,556.83 | 2,531.35 |
| Non-current Liabilities | | | |
| Borrowings | 89.01 | - | |
| Lease Liabilities | 14.57 | 14.31 | 18.46 |
| Provisions | 39.96 | 30.42 | 23.51 |
| Deferred tax liabilities | - | 13.70 | - |
| Other non-current liabilities | 4.69 | 4.69 | 4.69 |
| Sub-total - Non-current liabilities | 148.23 | 63.12 | 46.66 |
| Current Liabilities | | | |
| Borrowings | 241.35 | 100.63 | 184.03 |
| Lease Liabilities | 4.22 | 4.16 | 4.03 |
| Trade payables | 183.19 | 210.08 | 250.22 |
| Other financial liabilities | 52.53 | 116.18 | 72.70 |
| Other current liabilities | 52.65 | 56.62 | 45.31 |
| Provisions | 16.09 | 14.83 | 9.81 |
| Current Liabilities (net) | 2.10 | 3.26 | 0.63 |
| Sub-total - Current liabilities | 552.13 | 505.76 | 566.73 |
| TOTAL - EQUITY & LIABILITIES | 3,318.77 | 3,125.71 | 3,144.74 |
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant & equipment | 924.49 | 832.81 | 815.20 |
| Right of use assets | 64.00 | 46.06 | 49.31 |
| Capital work-in-progress | 493.81 | 567.50 | 330.47 |
| Investment Property | - | 3.53 | 3.60 |
| Goodwill | 1.55 | 1.55 | 1.55 |
| Investments accounted for using the equity method | - | 5.93 | 6.27 |
| Financial assets | 0.40 | 149.73 | 124.59 |
| Other non-current assets | 8.13 | 10.26 | 10.03 |
| Non-current tax assets | 173.65 | 117.07 | 114.31 |
| Deferred tax assets (net) | 4.35 | 13.95 | 2.94 |
| Sub-total - Non-current assets | 1,670.38 | 1,748.39 | 1,458.27 |
| Current Assets | | | |
| Inventories | 600.22 | 538.34 | 396.54 |
| Investments | 263.58 | 236.43 | 419.10 |
| Trade receivables | 495.43 | 250.27 | 390.14 |
| Cash & cash equivalents | 114.11 | 82.45 | 233.82 |
| Loans | 0.05 | 0.04 | 0.04 |
| Other financial assets | 0.55 | 9.20 | 15.33 |
| Other current assets | 170.98 | 260.59 | 231.50 |
| Current tax assets | | | |
| Non-current assets held for sale | 3.47 | - | |
| Sub-total - Current assets | 1,648.39 | 1,377.32 | 1,686.47 |
| TOTAL - ASSETS | 3,318.77 | 3,125.71 | 3,144.74 |

Other Financial Data

| Particulars | 31/03/2022 | 31/03/2021 | 31/03/2020 |
|----------------------------------|------------|------------|------------|
| Dividend (%) | 200% | 200% | 200% |
| Diluted Earnings Per Share (Rs.) | 4.68 | 4.88 | (8.55) |
| Return on Net worth (%) | 1.26% | 1.34% | -* |
| Book Value per Share (Rs.) | 371.90 | 363.16 | 359.54 |

*negative hence not given

Unaudited financial results of the Target Company (on consolidated basis), for the 9 months period ended December 31, 2022 are as under (based on financials as filed with the Stock Exchanges and Limited Review by the Statutory Auditors)

| Particulars | (Rs. in crores) |
|---|-----------------|
| Income from operations | 940.92 |
| Other Income | 33.40 |
| Total Income | 974.32 |
| Total Expenditure | 1,002.96 |
| PBDIT | (28.64) |
| Depreciation | 83.76 |
| Interest/finance cost | 11.78 |
| PBT | (124.18) |
| Exceptional items | 5.02 |
| Tax, including deferred tax charge / (credit) | 28.76 |
| PAT | (157.96) |
| PAT after comprehensive income / (loss) | (109.44) |
| Share Capital | 14.08 |
| Reserves & Surplus (other equity)* | 2,530.99 |
| Networth* | 2,545.07 |

* as on September 30, 2022

5.8 Pre and Post - Offer Share holding pattern of the Target Company shall be as follows:

| Category of the shareholder | Shareholding prior to the acquisition and offer | | Shares agreed to be acquired which triggered off the Regulation | | Shares to be acquired in open offer (Assuming full Acceptance) | | Shareholding after the acquisition and offer pursuant to the Regulations i.e. (A)+(B)+(C)=(D) | |
|--|---|---------------|---|----------------|--|----------------|---|---------------|
| | (A) | | (B) | | (C) | | (A)+(B)+(C)=(D) | |
| | Nos | % | Nos | % | Nos | % | Nos | % |
| (1) Promoter Group | | | | | | | | |
| a. Parties to the Agreement | | | | | | | | |
| Prakash Amrut Mody | 3,24,99,392 | 46.16 | (2,35,01,440) | (33.38) | | | 89,97,952 | 12.78 |
| b. Promoters other than (a) above | | | | | | | | |
| Anita Prakash Mody | 13,23,400 | 1.88 | | | | | 13,23,400 | 1.88 |
| Suparna Prakash Mody | 9,49,936 | 1.35 | | | | | 9,49,936 | 1.35 |
| Supriya Prakash Mody | 9,49,936 | 1.35 | | | | | 9,49,936 | 1.35 |
| Prakash Amrut Mody - Suparna Mody Trust | 52,016 | 0.07 | | | | | 52,016 | 0.07 |
| Prakash Amrut Mody - Supriya Mody Trust | 45,052 | 0.06 | | | | | 45,052 | 0.06 |
| Prakash Amrut Mody - Shwetambari Mody Trust | 41,283 | 0.06 | | | | | 41,283 | 0.06 |
| Total (1) [a+b] | 3,58,61,015 | 50.93 | (2,35,01,440) | (33.38) | | | 1,23,59,575 | 17.55 |
| (2) Acquirer | | | | | | | | |
| a. Main Acquirer | | | | | | | | |
| Ipca Laboratories Limited | - | - | 2,35,01,440 | 33.38 | 1,83,05,495 | 26.00 | 4,18,06,935 | 59.38 |
| b. PACs | - | - | - | - | - | - | - | - |
| Total (2) [a+b] | - | - | 2,35,01,440 | 33.38 | 1,83,05,495 | 26.00 | 4,18,06,935 | 59.38 |
| (3) Parties to agreement other than 1 & 2 | - | - | - | - | - | - | - | - |
| Total (3) | - | - | | | | | | |
| (4) Public | | | | | | | | |
| a) FIs/MFs/FII/Banks | 3,45,44,735 | 49.07 | | | (1,83,05,495) | (26.00) | 1,62,39,240 | 23.07 |
| b) Others | | | | | | | | |
| Total (4) | 3,45,44,735 | 49.07 | | | (1,83,05,495) | (26.00) | 1,62,39,240 | 23.07 |
| Total (1+2+3+4) | 7,04,05,750 | 100.00 | - | - | - | - | 7,04,05,750 | 100.00 |

Notes

1. The actual Post-Offer Shareholding of Public would depend on the response and acceptance of the shareholders to this Open Offer.
2. As on March 31, 2023, there were 29,418 shareholders in the Target Company.
3. **Post the Open Offer, the Acquirer would also be classified as one of the promoters of the Target Company and would part of the promoter group alongwith the existing promoter / promoter group.**

5.9 As per Regulation 38 of the SEBI (LODR) Regulations read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended (the “SCRR”), the Target Company is required to maintain at least 25% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. If, as a result of the acquisition of Equity Shares in this Open Offer, pursuant to the Share Purchase Agreement and the Open Offer, the public shareholding in the Target Company falls below the minimum level required as per Rule 19A of the SCRR, the Acquirer undertakes to ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, and in a manner acceptable to the Acquirer.

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Offer price

6.1.1 The Shares of the Target Company are listed on BSE and NSE. This Open Offer is a mandatory open offer made in compliance with Regulations 3(1) and 4 and other applicable regulations of the SEBI SAST Regulations pursuant to the execution of the Share Purchase Agreement.

6.1.2 The annual trading turnover of Shares of the Target Company during the preceding 12 calendar months prior to the month in which PA was made, i.e. during the period from April 2022 to March 2023 is given below :

| Name of stock Exchange | Total no. of shares traded during the 12 calendar months prior to the month in which PA was made. | Total No. of listed Shares | Annual Trading turnover (in terms of % to total listed shares) |
|------------------------|---|----------------------------|--|
| BSE | 37,71,435 | 7,04,05,750 | 5.36 |
| NSE | 3,35,78,998 | 7,04,05,750 | 47.69 |

Based on the parameters set out in the Regulation 2(1)(j) of SEBI SAST Regulations, the Equity Shares of the Target Company are deemed to be frequently traded.

6.1.3 Justification of offer price:

The Offer Price of Rs. 440/- (Rupees Four Hundred Forty only) per Equity Share of the Target Company has been determined after considering the following in terms of Regulations 8(1) and 8(2) of the SEBI SAST Regulations:

| PARTICULARS | Price (Rs.) |
|--|-------------|
| 1. The highest negotiated price per Equity Share of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer i.e. the price per Equity Share under the SPA | 440.00 |
| 2. The volume-weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer or by any person acting in concert with him, during the fifty-two weeks immediately preceding the date of the PA | 375.49 |
| 3. The highest price paid or payable per Equity Share for any acquisition, whether by the Acquirer, during the twenty-six weeks immediately preceding the date of the PA | N.A. |
| 4. The volume-weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the PA as traded on the Stock Exchange where the maximum volume of trading in the Equity Shares of the Target Company is recorded during such period and such shares being frequently traded | 336.67* |
| 5. Where the shares are not frequently traded, the price determined by the Acquirer and the Manager taking into account valuation parameters including, | N.A. |

| | |
|--|---------|
| book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies | |
| 6. The per Equity Share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, if applicable | N.A. ** |
| 7. Highest of the above | 440.00 |
| 8. Offer Price | 440.00 |

* The promoter / some members of promoter group of the Acquirer had, in the 52-weeks preceding the date of PA, held a total of 24,065 equity shares in the Target Company, the average cost of acquisition of which was Rs. 375.49 per share. As on date of the PA, DPS and DLOF none of the Promoter /members of the Promoter Group of the Acquirer hold any shares in the Target Company.

** Not applicable since the acquisition is not an indirect acquisition

In view of the above, the Offer Price is justified in terms of Regulation 8 read with other applicable provisions of the SEBI SAST Regulations.

There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under Regulation 8(9) of the SEBI SAST Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls between the date of this DLOF up to 3 (three) Working Days prior to the commencement of the tendering period of the Open Offer, in accordance with Regulation 8(9) of the SEBI SAST Regulations.

An upward revision to the Offer Price or to the Offer Size, if any, on account of competing offers or otherwise, may be undertaken by the Acquirer at any time prior to the commencement of 1 (one) Working Day before the commencement of the tendering period of this Open Offer, in accordance with Regulation 18(4) of the SEBI SAST Regulations. Further, in the event of any acquisition of the Equity Shares by the Acquirer, during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price per Equity Share, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition, in terms of Regulation 8(8) of the SEBI SAST Regulations. However, the Acquirer shall not acquire any Equity Shares after the 3rd Working Day prior to the commencement of the tendering period of this Open Offer and until the expiry of the tendering period of this Open Offer

6.1.4 There is no revision in offer price since the date of public announcement made on April 24, 2023 till date of this DLOF. In the event of a revision in the Offer Price or Offer Size, the Acquirer shall: (a) make corresponding increases to the escrow amount in the escrow account; (b) make a public announcement in the same newspapers in which this DPS has been published; and (c) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges, and the Target Company at its registered office of such revision. The offer price does not warrant any adjustment for corporate actions.

6.1.5 In case the Acquirer acquires or agrees to acquire whether by themselves or through or with persons deemed to be acting in concert with them any shares or voting rights in the Target Company during the offer period, whether by subscription or purchase, at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid or payable for any such acquisition and would be notified to the shareholders. Provided that no such acquisition shall be made after the third working day prior to the commencement of the tendering period and until the expiry of the tendering period. If the Acquirer acquires Equity Shares of the Target Company during the period of 26 (twenty six) weeks after the tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose shares have been accepted in the Open Offer, within 60 (sixty) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI SAST Regulations or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2021, or open

market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of shares of the Target Company in any form.

- 6.1.6 Subject to other Regulations, the Acquirer may, in terms of Regulation 18(4) of the SEBI SAST Regulations, make upward revision of the offer price at any time prior to the commencement of the last one working day before the commencement of the tendering period. Announcement of such revision would also be made in all the newspapers in which the DPS was made.
- 6.1.7 The Manager to the Offer, Arihant Capital Markets Limited does not hold any Equity Shares in the Target Company on its own account, as at the date of LOF. The Manager to the Offer further declare and undertake that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period.

6.2 Financial arrangements:

- 6.2.1 The total consideration for the Offer Size at the Offer Price, assuming full acceptance of the Offer, is Rs. 805,44,17,800/- (Rupees Eight Hundred Five Crores Forty Four Lakhs Seventeen Thousand Eight Hundred only).
- 6.2.2 In accordance with Regulation 17 of the SEBI SAST Regulations, the Acquirer has opened an escrow account under the name and title of "IPCA OPEN OFFER ESCROW ACCOUNT" (the "Escrow Account") with ICICI Bank Limited, Churchgate Branch, Mumbai - 400020 (the "Escrow Agent") pursuant to an Escrow Agreement dated April 24, 2023 entered into by the Acquirer with the Escrow Agent and the Manager (the "Escrow Agreement") and on the same day, has made a cash deposit in such Escrow Account of an amount of Rs. 805,44,17,800/- (Rupees Eight Hundred Five Crores Forty Four Lakhs Seventeen Thousand Eight Hundred only) ("Escrow Amount"), being the amount as specified under Regulation 17(1) of the SEBI SAST Regulations (i.e. 100% of the total consideration for the Open Offer). In terms of the Escrow Agreement, the Manager has been authorized by the Acquirer to operate the Escrow Account in accordance with the SEBI SAST Regulations. The cash deposit has been confirmed by the Escrow Agent vide its letter dated April 26, 2023.
- 6.2.3 The Acquirer has adequate resources to meet the financial requirements of the Open Offer. The fund requirements will be met from own sources/Net Worth. No borrowings from Banks / FIs or Foreign sources or otherwise is envisaged by the Acquirer. The Acquirer hereby declares and confirms that it has adequate and firm financial resources to fulfil the total financial obligation under the Open Offer.
- 6.2.4 Based on the above and in the light of the escrow arrangement, the Manager to the Offer is satisfied that firm arrangements for funds for payment through verifiable means have been put in place by the Acquirer to fulfill its obligations in relation to the Offer in accordance with the SEBI SAST Regulations. In case of any upward revision in the Offer Price or the size of the Open Offer, the corresponding increase to the escrow amounts as mentioned above shall be made by the Acquirer, in terms of Regulation 17(2) of the SEBI SAST Regulations, prior to effecting such revision.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions:

- 7.1.1 The Offer is not subject to any minimum level of acceptances from shareholders.
- 7.1.2 The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholder(s) of the Target Company (except the Acquirer, Promoters, deemed PACs and the Sellers) whose name appear on the Register of Members and to the beneficial owners of the shares of the Target Company whose names appear on the beneficial records of the Depository Participant, at the close of business hours as on the Identified Date.

- 7.1.3 The Offer is subject to the terms and conditions set out in this Letter of Offer, the Form of Acceptance, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.
- 7.1.4 The LOF along with the Form of Acceptance cum acknowledgement would also be available at SEBI's website, www.sebi.gov.in, and Public Shareholders can also apply by downloading such forms from the website.
- 7.1.5 While it would be ensured that the Letter of Offer is despatched by the due date to all the eligible Public Shareholders as on the Identified Date, non-receipt of this Letter of Offer by any of such Public Shareholders entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 7.1.6 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance-cum-Acknowledgement sent along with the other documents duly filled in and signed by the Public Shareholder(s).
- 7.1.7 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected if directions/orders regarding these equity shares are not received together with the equity shares tendered under the Offer.
- 7.2 Locked in shares – There are no locked-in shares held by the Public Shareholders to whom this open offer is being made.

7.3 **Persons eligible to participate in the Offer**

Except the Acquirer, the Promoters / promoter group of the Target Company and the Sellers, all the registered shareholders of the Target Company and unregistered shareholders who own the Equity Shares of the Target Company any time prior to the Closure of Offer, including the beneficial owners of the shares held in dematerialised form, are eligible to participate in the Offer.

7.4 **Statutory and Other Approvals**

- (a) The Transaction under the Share Purchase Agreement and the Open Offer is subject to the receipt of the Required Statutory Approval, being the approval of Competition Commission of India under the Competition Act, 2002 and satisfaction of other conditions precedent specified in the Share Purchase Agreement, including but not limited to the Seller obtaining requisite approvals from Target Company's bankers in accordance with the requirements of the arrangements with such banks.
- (b) This Open Offer is also subject to the other terms and conditions mentioned in the PA, the DPS and this DLOF. Save for this, as on date, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer. However, if any other statutory or governmental approval(s) are required or become applicable at a later date before closure of the Tendering Period, this Open Offer shall be subject to such statutory approvals. The application for Required Statutory Approval is in the process of being filed.
- (c) If any of the public shareholders of the Target Company that are not resident in India (such as NRIs, OCBs and FIIs) require any approvals inter alia from the Reserve Bank of India or any regulatory body for the transfer any Equity Shares to the Acquirer, they shall be required to submit such approval along with the other documents required to be tendered to accept this Offer. If such approval is not submitted, the Acquirer reserves the right to reject the Equity Shares tendered by such shareholders that are not resident in India. Subject to the receipt of statutory and other approvals, if any, the Acquirer shall complete all procedures relating to payment of consideration under this Offer within 10 working days from the date of expiry of the tendering period to those

Equity Shareholders whose share certificates and/or other documents are found valid and in order and are accepted for acquisition by the Acquirer. Public Shareholders classified as overseas corporate bodies ("OCB"), if any, may tender the Equity Shares held by them in the Open Offer pursuant to receipt of approval from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder. Such OCBs shall approach the RBI independently to seek approval to tender the Equity Shares held by them in the Open Offer. Where statutory or other approval(s) extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approval(s) are required in order to complete this Open Offer.

- (d) In case of delay in receipt of the Required Statutory Approval or any other statutory approval that may be required by the Acquirer for the Open Offer, SEBI may, if satisfied, grant extension of time to the Acquirer for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI SAST Regulations. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in accordance with this Open Offer.
- (e) The Acquirer may withdraw the Offer only in compliance with Regulation 23 of the SEBI SAST Regulations.
- (f) **The conditions stipulated in the underlying agreement, meeting of which are outside the reasonable control of the Acquirer :**
 - Receipt of approval from the Competition Commission of India under the Competition Act, 2002 in respect of the Transaction contemplated;
 - The Seller obtaining requisite approvals from Target Company's bankers in accordance with the requirements of the arrangements with such banks;
 - There shall not be in effect any judgment, injunction, decree or similar order of any court or other authority or under applicable Law restricting or otherwise preventing the consummation of the transactions contemplated in the SPA by the Seller / Acquirer / Target Company.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1 The Target Company is presently having connectivity with Central Depository Services (India) Limited ("CDSL") and National Securities Depositories Limited ("NSDL"). The ISIN of the Target Company is INE351A01035.
- 8.2 The Open Offer will be implemented by the Acquirer through Stock Exchange Mechanism as provided under the SEBI SAST Regulations and circular No. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 09, 2016 .and SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 and any further regulatory directions in this regard.
- 8.3 BSE will be the Designated Stock Exchange for the purpose of tendering shares in the Open Offer.
- 8.4 The Acquirer shall request BSE to provide a separate acquisition window ("Acquisition Window") to facilitate placing of sell orders by Public Shareholders who wish to tender their Equity Shares in the Open Offer.
- 8.5 The Acquirer has appointed Arihant Capital Markets Limited ("Buying Broker") having their corporate office at 1011, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai – 400093, as its broker for the Open Offer through whom the purchase and settlement of the Offer Shares tendered in the Open Offer will be made during the Tendering Period.

- 8.6 Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("Selling Broker"), for placing of sell orders during the normal trading hours of the secondary market during Tendering Period. Separate Acquisition window will be provided by BSE to facilitate placing of sell orders.
- 8.7 The Selling Brokers can enter orders for both physical as well as dematerialised Equity Shares. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by the BSE during the Tendering Period.
- 8.8 Public Shareholders can tender their shares only through a broker with whom the Public Shareholder is registered as a client (KYC Compliant). In the event Seller Broker(s) are not registered with the Stock Exchanges or if the Shareholder does not have any stock broker then that Shareholder can approach any NSE or BSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that NSE or BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case the Shareholder is not able to bid using quick UCC facility through any other NSE or BSE registered stock broker then the Shareholder may approach Buying Broker, to bid by using quick UCC facility after submitting the details as may be required by the Buying Broker to be in compliance with their internal policies and requirements. The Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

In case of Shareholder being an individual

- a) If shareholder is registered with KYC Registration Agency ("KRA"), the following documents and information will be required to be submitted (duly filled and completed):
- b) Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable
- c) Know Your Client (KYC) form Documents required (all documents self-attested): Bank details (cancelled cheque)
- d) Demat details (Demat Master /Latest Demat statement)
- e) If Shareholder is not registered with KRA, the following documents and information will be required to be submitted (duly filled and completed):
- f) CKYC form including FATCA, IPV, OSV if applicable
- g) KRA form
- h) KYC form Documents required (all documents self-attested): PAN card copy
- i) Address proof
- j) Bank details (cancelled cheque)
- k) Demat details (Demat master /Latest Demat statement)

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

In case Shareholder is HUF

- a) If shareholder is registered with KYC Registration Agency ("KRA"), the following documents and information will be required to be submitted (duly filled and completed):
- b) CKYC form of KARTA including FATCA, IPV, OSV, if applicable
- c) KYC form Documents required (all documents self-attested):
- d) Bank details (cancelled cheque)
- e) Demat details (Demat Master /Latest Demat statement)
- f) If Shareholder is not registered with KRA, the following documents and information will be required to be submitted (duly filled and completed)::
- g) CKYC form of KARTA including FATCA, IPV, OSV if applicable
- h) KRA form

- i) KYC form Documents required (all documents self-attested):
- j) PAN card copy of HUF and KARTA
- k) Address proof of HUF and KARTA
- l) HUF declaration
- m) Bank details (cancelled cheque)
- n) Demat details (Demat master /Latest Demat statement)

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

In case Shareholder is other than an Individual and HUF

- a) If shareholder is registered with KYC Registration Agency ("KRA"), the following documents and information will be required to be submitted (duly filled and completed):
- b) Know Your Client (KYC) form Documents required (all documents self-attested): Bank details (cancelled cheque)
- c) Demat details (Demat Master /Latest Demat statement)
- d) FATCA, IPV, OSV if applicable
- e) Latest list of directors/ authorised signatories/ partners/ trustees
- f) Latest shareholding pattern
- g) Board resolution
- h) Details of ultimate beneficial owner along with PAN card and address proof
- i) Last 2 years financial statements
- j) If Shareholder is not registered with KRA, the following documents and information will be required to be submitted (duly filled and completed):
- k) KRA form
- l) KYC form Documents required (all documents self-attested):
- m) PAN card copy of company/ firm/ trust
- n) Address proof of company/ firm/ trust
- o) Bank details (cancelled cheque)
- p) Demat details (Demat master /Latest Demat statement)
- q) FATCA, IPV, OSV if applicable
- r) Latest list of directors/ authorised signatories/ partners/ trustees
- s) PAN card copies and address proof of directors/ authorised signatories/ partners/trustees
- t) Latest shareholding pattern
- u) Board resolution/ partnership declaration
- v) Details of ultimate beneficial owner along with PAN card and address proof
- w) Last 2 years financial statements
- x) MOA/ Partnership deed/ trust deed

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

It may be noted that the above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

8.9 Procedure for tendering Equity Shares held in dematerialised form:

- a) All the Public Shareholders who are holding the Equity Shares in demat form and desire to tender their Equity Shares under the Open Offer would be required to make available their shares for bidding to their respective stock broker ("Selling Broker"). The shareholders have to intimate their Selling Broker to place the bid during the normal trading hours of the secondary market during the Tendering Period.
- b) The Selling Broker / Depository Participant / custodian participant shall comply with lien marking and other procedures in accordance with the SEBI Circular dated August 13, 2021.

- c) The lien shall be marked by the Selling Broker in the demat account of the Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Shareholder shall be provided by the depositories to the Clearing Corporation.
- d) The Seller Member would be required to place an order/bid on behalf of the Equity Shareholders who wish to tender Equity Shares in the Offer using the Acquisition Window of the BSE.
- e) The details of the settlement number of Equity Shares shall be informed in the issue opening circular that will be issued by the Designated Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- f) Upon placing the order, the Selling Broker(s) shall provide transaction registration slip ("TRS") generated by the exchange bidding system to the Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, client ID, no. of Equity Shares tendered etc.
- g) The Public Shareholders will have to ensure that they keep their depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to proportionate allocation in the Open Offer.
- h) Modification / cancellation of orders will not be allowed during the period the Offer is open.
- i) The cumulative quantity tendered shall be made available on the website of the BSE throughout the trading session and will be updated at specific intervals during the Tendering Period
- j) The Public Shareholders holding Equity Shares in demat mode need not fill any Form of Acceptance-cum-Acknowledgement and the placing of sell order in the Acquisition window and transfer of shares to clearing corporation/ stock exchange would be deemed to their Acceptance-cum-acknowledgement . The Public Shareholders are advised to retain the acknowledged copy of the DIS and the TRS till the completion of Offer Period.

Amendments to procedure for tendering and settlement of shares through Stock Exchange (vide SEBI Circular SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021)

(A) Changes in respect of Intra Depository - Tender Offer Instructions (within Depository):

- (i) The lien shall be marked in the depository system by the Depositories in the Beneficial Owner's Demat Account for the shares offered in tender offers.
- (ii) Details of shares marked as lien in clients' demat account shall be provided by respective Depositories to Clearing Corporations (CC)
- (iii) Details in respect of shareholder's entitlement for tender offer process shall be provided to CCs by Issuer / Registrar to an Issue and Share Transfer Agent (RTA) handling respective tender offer.
- (iv) CC will cancel excess blocked securities and securities shall become free balance in shareholder's account.
- (v) On settlement date, all blocked shares mentioned in accepted bid shall be transferred to CCs.

(B) Changes in respect of Inter Depository Tender Offer (IDT) Instructions:

- (i) In case of Client BO account is held with one Depository and CM pool and CC account are held with other Depository, shares shall be blocked in shareholder's BO account at source Depository, during the tendering period.
- (ii) IDT instruction shall be initiated by shareholder at source Depository to CM pool/ CC account at target Depository. Source Depository shall block the shareholder's securities (i.e. transfers from free balance to blocked balance) and sends IDT message to target Depository for confirming creation of lien
- (iii) Details of shares blocked in shareholder's demat account shall be provided by target Depository to CCs.
- (iv) CC shall cancel excess blocked securities in target Depository. Source Depository shall not be able to release lien without a release of IDT message from target Depository. Further, release of IDT message shall be sent by target Depository either based on cancellation request received from CCs or automatically generated after matching with Bid accepted detail as received from CCs / Issuer / RTAs.

- (v) Post receiving the IDT message from target Depository, source Depository shall release excess quantity from shareholder's block balance to free balance. The CC, if any, shall be processed by source Depository and any increase in quantity or substitute ISIN shall be communicated to target depository in IDT message
- (vi) Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity in respect of receiving entitlement details of securities of tender offer from CC, source depository shall debit the securities as per the communication/message received from target Depository to the extent of accepted bid quantity from shareholder's blocked balance and credit it to CC settlement account in target Depository on settlement date.
- (vii) All extra quantity of shares which are not a part of accepted bid data provided by CCs shall be reversed by source depository based on the communication/message received from target Depository from the shareholders blocked balance and shall be credited in the free balance of respective demat accounts.
- (viii) Depositories in coordination with stock exchanges and CCs shall make necessary changes in their system and ensure timely updations of the processes, as and when required.

8.10 Procedure to be followed by Public Shareholders holding Equity Shares in the physical form

As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Press Release (PR) no. 51/2018 dated December 03, 2018 and Press Release (PR) no. 12/2019 dated March 27, 2019, requests for transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. April 1, 2019. However, in accordance SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated July 31, 2020 read with para 58 of FAQs on SEBI SAST Regulations dated July 02, 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI SAST Regulations.

8.11 The procedure for tendering to be followed by the Public Shareholders holding Equity Shares in the physical form is as detailed below:

1. Public Shareholders who are holding Equity Shares in physical form and intend to participate in the Open Offer will be required to approach their respective Selling Broker along with the complete set of documents for verification procedures to be carried out, including
 - Signed Acceptance cum Acknowledgement Form
 - original share certificate(s);
 - valid share transfer form(s) duly filled and signed by the transferors (i.e., by all registered shareholders in same order and as per the specimen signatures registered with the Target Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Target Company;
 - self-attested copy of the shareholder's PAN Card (including the joint holders); and
 - any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable.

In addition, if the address of the Public Shareholder has undergone a change from the address registered in the 'Register of Members' of the Target Company, the Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents:

- valid Aadhar card;
- voter identity card; or
- passport

2. Based on these documents, the Selling Broker shall place the bid on behalf of the Public Shareholder holding Equity Shares in physical form who wishes to tender Equity Shares in the Open Offer, using the acquisition window of the Stock Exchanges. Upon placing the bid, the Selling Broker shall provide a Transaction Registration Slip (“TRS”) generated by the Stock Exchange bidding system to the Public Shareholder. The TRS will contain the details of the order submitted like folio number, certificate number, distinctive number of Equity Shares tendered etc.
3. The Selling Broker/ Public Shareholder has to deliver the original share certificate(s) and documents (as mentioned above) along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer i.e. **Link Intime India Private Limited** (address : C 101, 1st floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083) within 2 days of bidding by the Selling Broker, but in no event later than the date of closure of the Offer (by 5.00 p.m.(IST)). The envelope should be super scribed as “**Unichem Laboratories Limited Open Offer**”. A copy of the TRS will be retained by the Registrar and it will provide acknowledgement of the same to the Selling Broker / Public Shareholder.
4. The Public 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 the Open Offer shall be subject to verification as per the SEBI SAST Regulations and any further directions issued in this regard. The Registrar will verify such bids based on the documents submitted on a daily basis and till such time the Stock Exchanges shall display such bids as ‘unconfirmed physical bids’. Once the Registrar confirms the bids, they will be treated as ‘confirmed bids’.
5. In case any Public Shareholder has submitted Equity Shares in physical form for dematerialization, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Open Offer before the Offer Closing Date. The Public Shareholders holding Equity Shares in physical mode will be required to fill the respective Form of Acceptance-cum-Acknowledgement. Detailed procedure for tendering Equity Shares has been included in the Form of Acceptance-cum-Acknowledgement.
6. **Shareholders holding physical shares should note that the tendering can happen only through their Share/ stock broker and the physical share certificates, transfer deeds and other documents have to reach the Registrar within the specified time period for participation in the Open Offer. Sending of share certificates and other documents to Manager to the Offer / Registrar/ Acquirer / Target Company will be invalid. The share certificates and other documents could be misplaced / lost / delayed in transit, and the public shareholders will be solely liable for the eventualities.**

8.12 Procedure for tendering the shares in case of non-receipt of LOF

Public Shareholders who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the LOF, may also participate in this Offer. Public Shareholders may participate in the Offer by approaching their broker and tender Equity Shares in the Open Offer as per the procedure mentioned in this DLOF or in the Form of Acceptance-cum-Acknowledgement.

The LOF along with Form of Acceptance-cum-Acknowledgement will be dispatched to all the Public Shareholders as of the Identified Date. In case of non-receipt of the LOF, such Public Shareholders may download the same from the websites of SEBI (www.sebi.gov.in), the Registrar to the Offer (www.linkintime.co.in), the Manager to the Offer (www.arihantcapital.com), BSE (www.bseindia.com) and NSE (www.nseindia.com).

Alternatively, in case of non-receipt of the LOF, the Shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of Equity Shares held, client ID number, DP name, DP ID number, number of Equity Shares tendered and other relevant documents as mentioned in Paragraphs 8.10 and 8.11. Such Shareholders have to ensure that their order is entered in the electronic platform of BSE which will be made available by BSE before the closure of the Tendering Period.

8.13 Non-receipt of the LOF by, or accidental omission to dispatch the LOF to any Public Shareholder, shall not invalidate the Offer in any way.

8.14 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Public Shareholders of the Target Company. The Acquirer does not accept any responsibility for the decision of any Shareholder to either participate or to not participate in the Offer. The Acquirer or the Manager to the Offer will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Public Shareholders are advised to adequately safeguard their interest in this regard.

8.15 **Acceptance of Equity Shares**

The Equity Shares tendered in the Offer shall be held in the pool account of the broker / in trust by the Clearing Corporation /Registrar to the Offer until the completion of the Offer formalities. Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines. In the event that the number of Equity Shares (including demat Equity Shares and physical Equity Shares) validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in nonmarketable lots, provided that acquisition of Equity Shares from a Public Shareholders shall not be less than the minimum marketable lot.

8.16 **Settlement Process**

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of Shares transferred to the Clearing Corporation. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Brokers should use the settlement number to be provided by the Clearing Corporation to transfer the shares in favour of Clearing Corporation For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Equity Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders. In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer. The Equity Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non -acceptance of the shares under the Offer. Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders, shall be returned to the Public Shareholders by the Clearing Corporation. However, in the event of any rejection of transfer to the demat account of the Public Shareholder for any reason, the demat Equity Shares shall be released to the securities pool account of their respective Selling Broker and the Selling Broker will thereafter transfer the balance Equity Shares to the respective Public Shareholders.

Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by registered post/speed post back to the Public Shareholder(s) directly by Registrar to the Offer. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the registered Public Shareholders'/ unregistered owners' sole risk to the sole/ first Public Shareholder/ unregistered owner.

8.17 Settlement of Funds / Payment Consideration

The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule. For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Equity Shareholders.

If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders. The payment will be made to the Buying Broker for settlement.

For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker will receive funds payout in their settlement bank account. The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder / Selling Broker (s) as per secondary market pay out mechanism. The settlement of fund obligation for demat and physical Equity Shares shall be effected through existing settlement accounts of Selling Broker.

The payment will be made to the Buying Broker for settlement.

For Equity Shares accepted under the Open Offer, the Selling Broker / custodian participant will receive funds payout in their settlement bank account. The Selling Brokers / custodian participants would pay the consideration to their respective clients. The funds received from Buying Broker by the Clearing Corporation will be released to the Selling Broker(s) as per secondary market pay-out mechanism.

Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholder.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirer for payment of consideration to the Public Shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirer agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI SAST Regulations.

9. MATERIAL DOCUMENTS FOR INSPECTION

The copies of the following documents will be available for inspection at the office of the Manager to the Offer, Arihant Capital Markets Limited 1011 Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri East, Mumbai - 400 093 on any Working Day (except Saturdays, Sundays and public holidays) between 11:00 a.m. and 5:00 p.m. (Indian Standard Time) during the tendering period :

- a) Copy of Share Purchase Agreement dated April 24, 2023 entered into amongst the Seller, Acquirer and the Target Company.
- b) Annual Reports of the Target Company for the financial years 2021-22, 2020-21 and 2019-20 and limited reviewed accounts as on December 31, 2022.
- c) Copy of Certificate of Incorporation, Memorandum and Articles of Association of the Target Company
- d) Annual Reports of the Acquirer for the financial years 2021-22, 2020-21 and 2019-20 and limited reviewed accounts as on December 31, 2022.
- e) Copy of Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
- f) Letter dated April 26, 2023 issued by ICICI Bank Limited evidencing the Escrow Amount deposited in the Escrow Account towards the fulfilment of the open offer obligations.
- g) Copy of Escrow Agreement dated April 24, 2023 executed between the Acquirer, the Managers to the Offer and ICICI Bank Limited (the Escrow Banker) detailing the mode of operation of the Escrow account
- h) Copy of Agreement dated April 24, 2023 executed between the Acquirer and the Managers to the Offer
A copy of Public Announcement dated April 24, 2023
- i) Copy of Detailed Public Statement dated May 2, 2023
- j) SEBI observation Letter No. [●] dated [●] on the Draft Letter of Offer filed with them

10. DECLARATION BY THE ACQUIRER

1. In terms of Regulation 25(3) of the SEBI SAST Regulations, the Acquirer accepts full responsibility for the information contained in the Letter of Offer, Form of Acceptance, Public Announcement and Detailed Public Statement and also for ensuring compliance with the SEBI SAST Regulations.
2. The person(s) signing this Letter of Offer, is/are duly and legally authorized by the Acquirer to sign this Letter of Offer.

Signed by the Acquirer

For Ipca Laboratories limited

Managing Director

Date: May 10, 2023

Encl.:

1. Form of Acceptance cum Acknowledgement

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

| To be filled in by the Seller Member / Broker | | | |
|---|--|--------------------------|--|
| Name of Seller Member / Broker | | Unique Client Code (UCC) | |
| Address of Seller Member / Broker | | | |
| Application No. if any | | Date | |

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT (FOA)

In respect of Equity Shares of face value of Rs. 2/- each of
UNICHEM LABORATORIES LIMITED
pursuant to the Open Offer by Ipca Laboratories Limited

| | |
|-----------------|-----|
| Offer opens on | [●] |
| Offer closes on | [●] |

All terms and expressions used herein shall have the same meaning as described thereto in this LOF.

To ,

The Acquirer,
C/o Link Intime India Private Limited
Unit : Unichem Laboratories Limited Open Offer
C-101, 1st Floor, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai – 400 083, Maharashtra, India

Dear Sir(s),

Re: Open Offer to acquire upto 1,83,05,495 Equity Shares of Unichem Laboratories Limited ('target Company') by Ipca Laboratories Limited, the Acquirer, through Stock Exchange mechanism in compliance with the SEBI SAST Regulations at a price of Rs. 440/- per Equity Share.

1. I/We, having read and understood the terms and conditions set out below, in the Detailed Public Statement and in the Letter of Offer, hereby tender my/our Equity Shares in response to the Open Offer.
2. I/We understand that the Seller Member(s), to whom this FOA is sent/ submitted, is authorized to tender the Equity Shares on my/our behalf under the Open Offer.
3. I/We understand that the Equity Shares tendered under the Open Offer shall be held in trust by the Registrar to the Offer and Clearing Corporation, as applicable until the time of dispatch of payment of consideration and/or the unaccepted Equity Shares are returned.
4. I/We hereby undertake the responsibility for the FOA and the Equity Shares tendered under the Open Offer and I/we hereby confirm that the Acquirer, Company, Manager to the Open Offer and the Registrar to the Offer shall not be liable for any delay/loss in transit resulting in delayed receipt or non- receipt of the FOA along with all requisite documents, by the Seller Member, due to inaccurate/incomplete particulars/ instructions or any reason whatsoever.
5. I/We understand that this FOA is in accordance with the SEBI SAST Regulations and any amendments thereto and all other applicable laws.
6. I/We also understand that the payment of consideration will be done after due verification of FOA, documents and signatures and the Acquirer will pay the consideration as per secondary market mechanism.
7. I/We hereby confirm that the Equity Shares tendered under the Open Offer are free from any lien, equitable interest, charges & encumbrances.

8. I/We hereby declare that there are no restraints/injunctions, or other orders of any nature which limits/restricts my/our rights to tender these Equity Shares and I/we are the absolute and only owner of these Equity Shares and legally entitled to tender the Equity Shares under the Open Offer.
9. I/We hereby confirm that to participate in the Open offer, I/we will be solely responsible for payment to my/ our Seller Member for any cost, charges and incidental expenses (including brokerage) that may be levied by the Seller Member on me/ us for tendering Equity Shares in the Open Offer (secondary market transaction). The consideration to be received by me/us from my/ our respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirer, Company, Buyer Broker, Registrar to the Offer or Manager to the Offer have no responsibility to bear or pay such additional cost, charges and incidental expenses (including brokerage) incurred solely by me/us.
10. I/We undertake to immediately return the amount received by me/us inadvertently.
11. I/We authorize the Stock Exchange, Acquirer, Manager to the Offer and Registrar to the Offer to send payment of consideration through secondary market settlement process or by NECS/RTGS/NEFT/Direct Credit as per SEBI Circulars.
12. I/We agree that upon acceptance of the Equity Shares by the Acquirer tendered by me/us under the Open Offer, I/we would cease to enjoy all right, title, claim and interest whatsoever, in respect of such Equity Shares of the Company.
13. I/We authorize the Acquirer to accept the Equity Shares so offered, which it may decide to accept in consultation with the Manager to the Offer and Registrar to the Offer in terms of the Letter of Offer.
14. I/We further authorize the Registrar to the Offer to return to me/us Equity Shares to the extent not accepted and be released to my/our depository account at my/our sole risk.
15. I/We hereby undertake to execute any further documents, give assurance and provide assistance, which may be required in connection of the Open Offer and agree to abide by the decisions taken in accordance with the applicable laws, rules and regulations.
16. I/We acknowledge and confirm that all the particulars/statements given are true and correct

| BOX 1A: Public Shareholder's details (In BLOCK capital letters) | | | |
|--|-------|---------------------------------|--|
| Complete this box with the full name and address of the holder of the Offer Shares. In case of joint holding, details of the first-named holder should be provided along with the names of other joint holders | | | |
| Name of the sole/First Holder | PAN : | | |
| Name of the 2 nd Holder | PAN : | | |
| Name of the 3 rd Holder | PAN : | | |
| e-mail id | | | |
| Address (with PIN code) | | | |
| Date & Place of incorporation (if applicable) | | | |
| Bank Details of the sole / first holder - enclose copy of cancelled cheque | | | |
| Bank and Branch | | | |
| A/c Number | | | |
| A/c Type (SB / CA) | | IFSC Code | |
| Mobile Number | | Landline Number (with STD code) | |
| <i>Note: Please write the names of joint holders in the same order as appearing in the share certificate(s)/demat account.</i> | | | |

| BOX 1B: Type of Investor | | | |
|--|--|---|--|
| Please tick (√) the box to the right of the appropriate category | | | |
| Resident * | | Non Resident * | |
| Individual | | Individuals - Repatriable | |
| HUF | | Individuals - Non-Repatriable | |
| Trust | | Individuals other than Non Resident Indian | |
| Domestic Company | | Foreign Institutional Investors - Corporate | |
| Indian Mutual Fund | | Foreign Institutional Investors - Others | |
| Bank, Insurance Companies & Financial Institutions | | Foreign Company | |
| Indian Venture Capital Fund | | Overseas Corporate Bodies (OCB) | |
| Others (Please specify) | | Others (Please specify) | |
| * Residential status as determined on the basis of criteria laid in Section 6 of the Income Tax Act, 1961, as amended ("IT Act") | | | |

| BOX 2: Signature of Public Shareholders | | |
|--|-------------------|--------------|
| In case of joint holdings, all holders must sign below in the same order and as per specimen signatures registered with the Company. In case of body corporate a stamp of the company should be affixed and necessary board resolution authorizing the submission of this FOA should be attached. By your signature in Box 2, you will also be deemed to be making the acknowledgement and authorizations set out in Box 3 below | | |
| I/We hereby make an offer to tender the number of Offer Shares set out or deemed to be set out in Box 3 in accordance with, and on and subject to the terms and conditions herein, the LOF and the PA | | |
| Sr. No. | Name(s) | Signature(s) |
| 1 | Sole/First Holder | |
| 2 | Second Holder | |
| 3 | Third Holder | |

| BOX 3: Details of Offer Shares tendered pursuant to the Open Offer | | |
|--|-------------------|-----------------|
| I/we hereby tender to the Acquirer, the number of Offer Shares as specified below | | |
| | In Figures | In Words |
| Number of Offer Shares | | |

| BOX 4A: For Public Shareholders holding Offer Shares in physical form | | | | | |
|---|---------------------------|-------------------------|---------------------|----|------------------------|
| Sr. No. | Share certificate numbers | Registered folio number | Distinctive Numbers | | Number of Offer Shares |
| | | | From | To | |
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| Total Number of Offer Shares | | | | | |
| (If the space provided is inadequate please attach a separate continuation sheet) | | | | | |

| BOX 4B: For Public Shareholders holding Offer Shares in dematerialized form | |
|--|--|
| Please complete the space provided below with the details of the depository account in which your Offer Shares are presently held, as well as with details of your depository participant. | |
| <i>I/We confirm that I/we hold my/our Offer Shares in dematerialized form. The details of my/our depository account and my/our depository participant are as follows:</i> | |
| Name of Depository (CDSL / NSDL) | |
| Name of Depository Participant | |
| DP ID No. | |
| Client ID No. with the DP | |
| Number of Offer Shares | |

CHECKLIST

(Please Tick (√) the box to the right of the appropriate category)

| Physical Shareholders | | Dematerialized Shareholders | |
|-----------------------|--|-----------------------------|--|
| 1 | Form of Acceptance (FOA) | | |
| 2 | Original share certificate(s) of Unichem Laboratories Limited | 1 | Form of Acceptance (FOA) |
| 3 | Valid share transfer deed(s) | | |
| 4 | Self attested copy of PAN card (including the joint holders) | 2 | TRS issued by Broker / Seller Member after bidding of shares on the OTB platform |
| 5 | TRS issued by Broker / Seller Member after bidding of shares on the OTB platform | | |
| 6 | Cancelled cheque leaf and other documents as applicable | 3 | Other documents as applicable |



Notes:

- All documents sent by/to the Public Shareholders will be at their risk and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- Please read these notes along with the entire contents of the Detailed Public Statement and the Letter of Offer.
- In the case of public shareholder(s) other than individuals, any documents, such as a copy of a power of attorney, board resolution, authorization, etc., as applicable and required in respect of support/verification of this FOA shall also be provided; otherwise, the FOA/ Offer shares shall be liable for rejection.
- The number of Equity Shares tendered under the Open Offer should match with the number of Equity Shares specified in the share certificate(s) enclosed or the Equity Shares held under the respective client ID number. In case of mismatch, the acceptance or partial acceptance of the Offer shares will be at the sole discretion of the Registrar to the Offer / Manager to the Offer.
- The consideration shall be paid to the Public Shareholder(s) by Stock Exchange or their respective Seller Member in the name of sole /first holder only.
- Public Shareholders, holding the Equity Shares in physical form, post bidding, should send the FOA along with share transfer deed, share certificates, TRS and other documents, as applicable, to the Registrar to the Offer. It is the sole responsibility of the Public Shareholders/ Seller Member(s) to ensure that their Equity Shares held in Physical form reaches the Registrar to the Offer within two working days of Bidding by the Seller Member.**
- In case, the FOA sent to the Registrar to the Offer is not complete in all respects, the same may be liable for rejection.
- It is the sole responsibility of the Public Shareholders/ Seller Member(s) to ensure that their Equity Shares shall be transferred by using the settlement number and the procedure prescribed by the Clearing Corporation of India Limited on

or before the Open Offer Closing Date and for physical shareholders, the FOA along with other documents reaches to the Registrar to the Offer within two Working Day of Bidding by the Seller Member and in any case not later than [●]

9. FOR EQUITY SHARES HELD IN PHYSICAL FORM: Before submitting this FOA to the Seller Member(s), you must execute valid share transfer deed(s) in respect of the Equity Shares intended to be tendered under the Open Offer and attach thereto all the relevant original physical share certificate(s). The share transfer deed(s) shall be signed by the Public shareholder (or in case of joint holdings by all the joint holders in the same order) in accordance with the specimen signature(s) recorded with the Company and shall also be duly witnessed. A copy of any signature proof may be attached to avoid any inconvenience. In case, the sole/any joint holder has died, but the share certificate(s) are still in the name of the deceased person(s), please enclose the requisite documents, i.e., copies of death certificate/Will/Probate/Succession Certificate and other relevant papers, as applicable. The decision of Registrars regarding the completeness and validity of documents tendered will be final.
10. FOR UNREGISTERED SHAREHOLDERS: Unregistered Public Shareholders should enclose, as applicable, (a) this Form of Acceptance, duly completed and signed in accordance with the instructions contained therein, (b) original share certificate(s), (c) original broker contract note, (d) valid share transfer form(s) as received from the market, duly stamped and executed as the transferee(s) along with blank transfer form duly signed as transferor(s) and witnessed at the appropriate place. All other requirements for valid transfer will be preconditions for acceptance.

| ACKNOWLEDGEMENT SLIP | | | | | |
|---|--|----------------------------|-----------------------------|---------------|--|
| Application Number (to be filled by Seller Member) | | | | | |
| Received from _____ a Form of Acceptance offering _____ Offer Shares of Unichem Laboratories Limited at a Price of Rs. 440/- per Equity Share to the Acquirer. | | | | | |
| For shares in physical form | | | | | |
| Folio No. | | Share Certificate No(s) | | | |
| No. of Shares | | Black cheque leaf attached | | | |
| KYC documents attached (please provide details) | | | | | |
| For shares in dematerialised form | | | | | |
| DP ID | | Client ID | | No. of Shares | |
| Received but not verified share certificate(s) and share transfer deed(s) | | | Stamp / Signature with Date | | |

| Manager to the Open Offer | Registrar to the Open Offer |
|--|--|
|  <p>Arihant Capital Markets Limited Merchant Banking Division SEBI REGN NO.: INM 000011070 #1011, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai - 400 093 Tel : 022-42254800; Fax : 022-42254880; Email: mbd@arihantcapital.com; Website: www.arihantcapital.com Contact Persons: Mr. Amol Kshirsagar /Mr. Satish Kumar P</p> |  <p>Link Intime India Private Limited C 101, 1st floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India. Tel : + 91-810 811 4949; Fax : +91-22-49186195 Email : unichemlabs.offer@linkintime.co.in Website : www.linkintime.co.in Contact Person : Mr. Sumeet Deshpande SEBI Registration Number: INR000004058</p> |

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