

PATANJALI[®] PATANJALI FOODS LIMITED

Corporate Office : 601, Part B-2, 6th Floor, Metro Tower, Vijay Nagar, A.B. Road, Indore-452 010

Phone : +91 (731) 4767109 / 4767110 ● E-mail : corporate@patanjalifoods.co.in

CIN-L15140MH1986PLC038536



July 01, 2024

To

BSE Limited P.J. Towers, Dalal Street Mumbai – 400 001	National Stock Exchange of India Limited 5 th Floor, Exchange Plaza, Bandra (E), Mumbai – 400 051
Scrip Code: 500368	Symbol: PATANJALI

Sub: Disclosure in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015 (“SEBI LODR Regulations”)

Pursuant to the provisions of Regulation 30 read with Part A of Schedule III of the Listing Regulations and read with SEBI Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 (“**Master Circular**”), we wish to inform you that the Board of Directors of the Company at its meeting held on July 01, 2024 considered and approved, subject to the approval of shareholders, lenders and other necessary approvals:

1. taking licensing rights from Patanjali Ayurved Limited (“**PAL**” or “**Licensor**”), for use of its licensed Intellectual Properties through a License Agreement;
2. authorization for officials of the Company to execute a License Agreement between the Company and PAL.

The particulars of the transaction along with the additional disclosures as required under the Master Circular are provided in **Annexure - A** hereto.

You are requested to take note of above and arrange to bring the same to the notice of all concerned.

The above disclosure is also available on the website of the Company i.e. www.patanjalifoods.com.

The meeting commenced at 02.45 P.M. and concluded at 05.00 P.M.

Thanking You.

Yours Faithfully,
For Patanjali Foods Limited

Ramji Lal Gupta
Company Secretary

Encl.: As above

Annexure - A

Particulars	Details
Name of target entity, details in brief such as size, turnover etc.	Patanjali Foods Limited (“ the Company ” or “ Licensee ”) has entered into a license agreement (“ License Agreement ”) with Patanjali Ayurved Limited (“ PAL ” or “ Licensor ”) to take licensing rights for the use of Licensed Intellectual Properties of PAL by way of a license agreement, The turnover of PAL for the year ended 31 st March, 2024 was Rs. 6,199 Crores (Approx.).
Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”;	Yes, the proposed transaction falls under the related party transaction. PAL is one of the promoters of the Company. Furthermore, Shri Ram Bharat, Managing Director and one of the promoters of the Company, is also a Director of PAL. Shri Acharya Balkrishna, one of the promoters and Chairman of the Company is Managing Director of PAL and holds 98.54 % of the paid-up equity share capital of PAL. The transaction is being undertaken on fair value and on arms’ length basis.
Industry to which the entity being acquired belongs;	No entity is being acquired. The Company has only entered into a License Agreement.
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	Not applicable since no entity is proposed to be acquired.
Brief details of any governmental or regulatory approvals required for the acquisition;	No governmental or regulatory approval is required for entering into the License Agreement.
Indicative time for completion of the acquisition;	License Agreement will be effective once the infrastructure of the Company is ready for use of the licenses.
Nature of consideration - whether cash consideration or share swap and details of the same;	<p>Taking licensing rights from PAL by the Company for the use of the Licensed Intellectual Property (<i>as defined in the License Agreement</i>), by way of a License Agreement proposed to be executed between the Company and PAL, for this purpose;</p> <p>In consideration of the license and the right granted hereunder by the Licensor to the Licensee, the Licensee shall pay ‘License Fee’ to the Licensor at 3% (three percent) of the ‘Actual Gross Sales Value’ of the Products (<i>as defined in the License Agreement</i>).</p> <p>The amount of consideration for the grant of license agreed upon under the License Agreement (“License Agreement”) is 3% (three percent) of the ‘Actual Gross Sales Value’ of the Products (<i>as defined in the License Agreement</i>) subject to minimum yearly payment of Rs. 83,00,00,000/- (Rupees Eighty Three</p>

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	Crores only) subject to the payment terms (as stated in the License Agreement) and other terms and conditions set out in the License Agreement.
Cost of acquisition or the price at which the shares are acquired;	No shares are being acquired. However, the amount of consideration for the grant of license agreed upon under the License Agreement (“ License Agreement ”) is 3% (three percent) of the ‘ Actual Gross Sales Value ’ of the Products (<i>as defined in the License Agreement</i>) subject to minimum yearly payment of Rs. 83,00,00,000/- (Rupees Eighty Three Crores only), subject to the payment terms (as stated in the License Agreement) and other terms and conditions set out in the License Agreement.
Percentage of shareholding / control acquired and / or number of shares acquired;	Not applicable as the transaction is for taking on license the Licensed IPs by way of a license agreement.
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	Not applicable as the transaction is for taking on license the Licensed IPs by way of a license agreement