

## DRAFT LETTER OF OFFER

### “THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION”

The Letter of Offer (*as defined below*) will be sent to you as a Public Shareholder (*as defined below*) of **Heubach Colorants India Limited**. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or Registrar to the Offer (*as defined below*). In case you have recently sold your equity shares in the Target Company, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement (*as defined below*) and transfer deed to the member of the stock exchange through whom the said sale was affected.

#### **SUDARSHAN EUROPE B.V. (“ACQUIRER”)**

A limited liability company, registered with the Kamer van Koophandel

**Registration Number:** 34288322

**Registered Office:** Kingsfordweg 151, 1043 GR Amsterdam, The Netherlands.

**Tel:** +31 (0) 20 491 9417 ; **Fax:** +31 (0) 20 491 9415

#### **ALONG WITH**

#### **SUDARSHAN CHEMICAL INDUSTRIES LIMITED (“PAC-1”)**

A public limited company incorporated under the Companies Act No. VII of 1913

**Corporate Identification Number:** L24119PN1951PLC008409

**Registration Number:** 008409

**Registered Office:** 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune, Maharashtra 411069, India.

**Tel:** +91 20 682 81 200

#### **AND**

#### **HEUBACH HOLDING SWITZERLAND AG (“PAC-2”)**

Registered with the Commercial Register, Basel Landschaft, Switzerland

**Registration Number:** CHE-402.794.086.

**Registered office:** Hardstrasse 1, 4133 Pratteln, Switzerland.

#### **AND**

#### **HEUBACH EBITO CHEMIEBETEILIGUNGEN AG (“PAC-3”)**

Registered with the Commercial Register, Basel Landschaft, Switzerland

**Registration number:** CHE101.257.789

**Registered office:** Hardstrasse 1, 4133 Pratteln, Switzerland.

(collectively referred to as the “PACs”)

**MAKE A CASH OFFER AT A PRICE OF INR 602.03/- (INDIAN RUPEES SIX HUNDRED AND TWO AND PAISA THREE ONLY) PER EQUITY SHARE (*AS DEFINED BELOW*), TO ACQUIRE UP TO 6,001,268 (SIXTY LAKH ONE THOUSAND TWO HUNDRED SIXTY EIGHT) FULLY PAID UP EQUITY SHARES OF FACE VALUE OF INR 10/- (INDIAN RUPEES TEN ONLY) EACH (“EQUITY SHARES”) PAYABLE IN CASH, REPRESENTING 26.00% (TWENTY SIX PERCENT) OF THE VOTING SHARE CAPITAL (*AS DEFINED BELOW*) IN ACCORDANCE TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011**

**AND SUBSEQUENT AMENDMENTS THERETO (“SEBI (SAST) REGULATIONS”) FROM THE PUBLIC SHAREHOLDERS (“OPEN OFFER” OR “OFFER”)**

**OF**

**HEUBACH COLORANTS INDIA LIMITED (“Target Company”)**

**Corporate Identification Number (CIN): L24110MH1956PLC010806**

**Registered Office:** Rupa Renaissance, B Wing, 25th Floor, D-33, MIDC Road, TTC Industrial Area  
Juinagar, Navi Mumbai, Maharashtra, India, 400705,

**Contact No:** +91-22 20874405; **Website:** <https://heubach.com/heubach-india/>;

**E-mail Id:** investor.relations\_india@heubach.com;

**NOTE:**

1. This Offer (*as defined below*) is being made by the Acquirer and PACs pursuant to Regulations 3(1), 4 and 5(1) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (“**SEBI (SAST) Regulations**”).
2. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
3. The Offer Price is INR 602.03/- (Indian Rupees Six Hundred and Two and Paise Three Only) per Equity Share, payable in cash.
4. This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
5. As on the date of this draft letter of offer (“**Draft Letter of Offer**” or “**DLOF**”), to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer and PACs to acquire the Equity Shares that are validly tendered pursuant to this Offer and/or to complete this Open Offer. In case any statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) being obtained.
6. Where any statutory or other 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 or other approvals are required in order to complete this Open Offer.
7. The Acquirer and PACs may withdraw the Open Offer in accordance with the terms and conditions specified in Part C (*Statutory and Other Approvals*) of Section 7 (*Terms and Conditions of the Offer*) of this Draft Letter of Offer. In the event of a withdrawal of the Open Offer, the Acquirer and PACs (through the Manager) shall, within 2 (Two) Working Days of such withdrawal, make a public announcement of such withdrawal stating the grounds for the withdrawal, in the same Newspapers (*as defined below*) in which the DPS (*as defined below*) was published, in accordance with Regulation 23(2) of the SEBI (SAST) Regulations and such public announcement also will be sent to SEBI (*as defined below*), Stock Exchanges (*as defined below*) and the Target Company at its registered office.
8. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirer and/or the PACs shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis, in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that the acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
9. Under Regulation 18(4) of the SEBI (SAST) Regulations, the Acquirer is permitted to revise the Offer Price (*as defined below*) or the number of Offer Shares at any time up to prior to commencement of 1 Working Day (*as defined below*) before the commencement of the

Tendering Period (*as defined below*), and the Acquirer shall (a) make corresponding increases to the escrow amounts, as more particularly set out in Section 5 (*Offer Price and Financial Arrangements*), (b) make a public announcement in the Newspapers, and (c) simultaneously with the making of such announcement, inform SEBI (*as defined below*), the Stock Exchanges (*as defined below*) and the Target Company at its registered office of such revision. The Acquirer would pay such revised price for all the Equity Shares (*as defined below*) validly tendered and accepted pursuant to the Offer.

10. **As per the information available with the Acquirer, the PACs and the Target Company, there has been no competing offer as of the date of this Draft Letter of Offer. If there is a competing offer, the offers under all subsisting bids will open and close on the same date.**
11. Unless otherwise stated, the information set out in this DLOF reflects the position as of the date hereof.
12. Copies of the PA and the DPS (*as defined below*) are available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and copy of this DLOF and the LOF (*as defined below*) (including the Form of Acceptance-cum-Acknowledgement) are expected to be available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)

**All future correspondence, if any, should be addressed to the Manager to the Offer or the Registrar to the Offer at the addresses mentioned below:**

| MANAGER TO THE OFFER   | REGISTRAR TO THE OFFER  |
|--|---|
|  <p><b>Axis Capital Limited</b><br/> <b>Address:</b> 1st Floor, Axis House,<br/>           Pandurang Budhkar Marg, Worli,<br/>           Mumbai - 400 025, Maharashtra, India<br/> <b>Tel:</b> +91 22 4325 2183 <b>Fax:</b> +91 22 4325 3000<br/> <b>Email:</b> <a href="mailto:hcil.openoffer@axiscap.in">hcil.openoffer@axiscap.in</a><br/> <b>Investor Grievance Email:</b><br/> <a href="mailto:complaints@axiscap.in">complaints@axiscap.in</a><br/> <b>Contact Person:</b> Mayuri Arya/Harish Patel<br/> <b>Website:</b> <a href="http://www.axiscapital.co.in">www.axiscapital.co.in</a><br/> <b>SEBI Registration No.:</b> INM000012029</p> |  <p><b>MUFG Intime India Private Limited</b><br/> <b>(formerly known as Link Intime India Private Limited)</b><br/> <b>Address:</b> C-101, 247 Park, 1st Floor,<br/>           L B S Marg, Vikhroli (West),<br/>           Mumbai 400083, Maharashtra, India;<br/> <b>Phone:</b> +91 810 811 4949;<br/> <b>Fax:</b> +91 22 49186060<br/> <b>Email:</b> <a href="mailto:hcil.offer@in.mpms.mufg.com">hcil.offer@in.mpms.mufg.com</a><br/> <b>Website:</b> <a href="http://www.in.mpms.mufg.com/">www.in.mpms.mufg.com/</a><br/> <b>Investor Grievance Email:</b><br/> <a href="mailto:hcil.offer@in.mpms.mufg.com">hcil.offer@in.mpms.mufg.com</a><br/> <b>Contact Person:</b> Ms. Pradnya Karanjekar<br/> <b>SEBI Registration Number:</b> INR000004058</p> |

## TENTATIVE SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OPEN OFFER

| Sr. No. | Major Activities  | Schedule of Activities <sup>#</sup> |
|---------|---|-------------------------------------|
| 1.      | Date of Public Announcement   | Wednesday, October 16, 2024         |
| 2.      | Publication of Detailed Public Statement in newspaper   | Monday, March 10, 2025              |
| 3.      | Last date for filing of Draft Letter of Offer (“ <b>DLOF</b> ”) with SEBI   | Tuesday, March 18, 2025             |
| 4.      | Last Date for public announcement for a competing offer(s)  | Tuesday, April 01, 2025             |
| 5.      | Last date for receipt of SEBI observations on the DLOF (in the event SEBI has not sought clarifications or additional information from the Manager)                         | Wednesday, April 09, 2025           |
| 6.      | Identified Date* for determining shareholders to whom Letter of Offer shall be sent   | Tuesday, April 15, 2025             |
| 7.      | Last date by which the Letter of Offer (“ <b>LOF</b> ”) is to be dispatched to the Public Shareholders whose names appear in the register of members on the Identified Date | Wednesday, April 23, 2025           |
| 8.      | Last Date by which the committee of the independent directors of the Target Company shall give its recommendation to the Public Shareholders for this Open Offer            | Monday, April 28, 2025              |
| 9.      | Last date for upward revision of the Offer Price / Offer Size   | Monday, April 28, 2025              |
| 10.     | Date of publication of opening of Open Offer public announcement in the newspapers in which DPS has been published  | Tuesday, April 29, 2025             |
| 11.     | Date of commencement of the Tendering Period (“ <b>Offer Opening Date</b> ”)  | Wednesday, April 30, 2025           |
| 12.     | Date of closure of the Tendering Period (“ <b>Offer Closing Date</b> ”)   | Thursday, May 15, 2025              |
| 13.     | Last date of communicating the rejection/ acceptance and completion of payment of consideration or return of Equity Shares to the Public Shareholders                       | Thursday, May 29, 2025              |
| 14.     | Last date for publication of post-Open Offer public announcement in the newspapers in which DPS has been published  | Thursday, June 5, 2025              |

\* The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be sent in accordance with the SEBI (SAST) Regulations. It is clarified that all Public Shareholders other than the Acquirer, the promoter, members of the promoter group of the Target Company, the PACs, the parties to the Transaction Documents (as defined below), and any persons deemed to be acting in concert with any of the parties mentioned above, pursuant to and in compliance with the SEBI (SAST) Regulations are eligible to participate in the Offer any time during the Tendering Period.

<sup>#</sup>The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations and based on the assumption that SEBI’s comments to this Draft Letter of Offer will be received by April 9, 2025. Accordingly, the dates for the above mentioned activities, wherever mentioned in this Draft Letter of Offer, are subject to change.

## RISK FACTORS

**THE RISK FACTORS SET FORTH BELOW ARE INDICATIVE ONLY AND ARE NOT INTENDED TO PROVIDE A COMPLETE ANALYSIS OF ALL RISKS AS PERCEIVED IN RELATION TO THE UNDERLYING TRANSACTION AND THE OFFER AND THE PROBABLE RISK INVOLVED IN ASSOCIATING WITH THE ACQUIRER AND PACs. THE RISK FACTORS SET FORTH BELOW DO NOT RELATE TO THE PRESENT OR FUTURE BUSINESS OR OPERATIONS OF THE TARGET COMPANY AND ANY OTHER RELATED MATTERS AND ARE NEITHER EXHAUSTIVE NOR INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF THE RISKS INVOLVED IN THE PARTICIPATION BY ANY PUBLIC SHAREHOLDER IN THE OFFER. THE PUBLIC SHAREHOLDERS ARE ADVISED TO CONSULT THEIR STOCKBROKER, INVESTMENT CONSULTANT OR TAX ADVISOR FOR AN UNDERSTANDING OF THE FURTHER RISKS ASSOCIATED WITH THEIR PARTICIPATION IN THE OFFER.**

**For capitalized terms used herein, please refer to the section on Definitions set out below.**

### **1. Risk factors relating to the Offer**

- 1.1. The Open Offer is an open offer under the SEBI (SAST) Regulations to acquire up to 6,001,268 (Sixty Lakh One Thousand Two Hundred and Sixty-Eight) Equity Shares representing 26% (twenty-six percent) of the Voting 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 (as defined below), then the Offer Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 6,001,268 (Sixty Lakh One Thousand Two Hundred Sixty-Eight) Equity Shares, representing 26% (twenty-six percent) of the Voting 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 unaccepted Equity Shares will be returned to the Public Shareholders in accordance with the schedule of activities for the Open Offer.
- 1.2. The Acquirer may withdraw the Offer in accordance with the conditions specified in this Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirer (through the Manager to the Offer) shall, within 2 (two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the DPS had appeared, stating the grounds for the withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
- 1.3. In the event of any litigation leading to a stay order on or an injunction against this Offer by a court of competent jurisdiction, or SEBI instructing that the Offer should not proceed, the Offer may be withdrawn, or the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, in the event of any delay, the payment of consideration to the Public Shareholders of the Target Company, whose Equity Shares are validly tendered and accepted by the Acquirer under this Offer, as well as the return of Equity Shares not accepted under this Offer by the Acquirer may be delayed. In the event SEBI instructs the Acquirer and/or PACs to not proceed with this Offer, then this Offer process shall be withdrawn and the Acquirer and the PACs (through the Manager to the Offer) shall make an announcement of such withdrawal within 2 (two) Working Days of such withdrawal in accordance with Regulation 23(2) of the SEBI (SAST) Regulations.
- 1.4. The Equity Shares tendered in the Offer will be held in trust by the Clearing Corporation, on behalf of the Public Shareholders who have tendered their Equity Shares until the completion of the formalities of this Offer and the Public Shareholders who have tendered their Equity

Shares will not be able to trade in such Equity Shares held in trust by the Clearing Corporation during such period, even if the acceptance of the Equity Shares in this Offer and/or dispatch of payment consideration are delayed. Further, during such period, there could be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. Accordingly, the Acquirer makes no assurance with respect to the market price of the Equity Shares and disclaims any responsibility with respect to any decision by any Public Shareholder on whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.

- 1.5. The tendered Equity Shares and documents will be held by the Registrar to the Offer in trust for the Acquirer/PACs, till the process of acceptance of tenders and the payment of consideration is completed. The Public Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer. During such period, there may be fluctuations in the market price of the Equity Shares.
- 1.6. The Public Shareholders should note that under the SEBI (SAST) Regulations, once the Public Shareholders have tendered their Equity Shares in the Offer, they will not be able to withdraw their Equity Shares from the Offer even in the event of a delay in the acceptance of the Equity Shares under the Offer and/or the dispatch of consideration. The Public Shareholders will not be able to trade in such Equity Shares which have been tendered in the Open Offer. During such period, there may be fluctuations in the market price of the Equity Shares. The Acquirer/PACs make no assurance with respect to the market price of the Equity Shares, both during the period that the Open Offer is open and upon completion of the Open Offer and disclaim any responsibility with respect to any decision taken by the Public Shareholders with respect to whether or not to participate in the Open Offer. The Public Shareholders will be solely responsible for their decisions regarding their participation in this Open Offer.
- 1.7. All Public Shareholders, including non-resident holders of Equity Shares, must obtain all requisite approvals required, if any, to tender their Equity Shares in the Offer (including without limitation, approval from the RBI if applicable) and submit copies of such approvals, along with the other documents required for accepting this Offer. In the event that copies of such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares 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 copies of such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Equity Shares, along with the other documents required to be submitted to accept this Offer. In the event copies of such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares.
- 1.8. As on the date of this Draft Letter of Offer, to the knowledge of the Acquirer and PACs, there are no statutory approval(s) required by the Acquirer to complete this Open Offer. However, in case of any further statutory approval(s) being required by the Acquirer at a later date, this Offer shall be subject to such approvals and the Acquirer shall make the necessary applications for obtaining such approvals. In case of delay in receipt of any statutory approval(s), SEBI may, if satisfied that such delay in receipt of the statutory approval(s) was not attributable to any wilful default, failure or neglect on the part of the Acquirer to diligently pursue such approval(s), and 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), grant an extension of

time to the Acquirer pending receipt of such statutory approval(s) to make the payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in the Offer. Furthermore, in case of delay in receipt of any such statutory approval(s), the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer.

- 1.9. The Acquirer, the PACs and the Manager do not accept responsibility for the statements made with respect to the Target Company (pertaining to the information which has been compiled from information published or provided by the Target Company, or publicly available sources, and which information has not been independently verified by the Acquirer, the PACs or the Manager) in connection with this Offer as set out in this Draft Letter of Offer, the Detailed Public Statement, the Public Announcement and the Letter of Offer or any corrigendum or any material issued by or at the instance of the Acquirer, the PACs or the Manager. Further, the Acquirer, the PACs and the Manager accept no responsibility made otherwise than in this Draft Letter of Offer, the Detailed Public Statement, the Public Announcement, the Letter of Offer or in the advertisements or any materials issued by or at the instance of the Acquirer or the PACs in relation to the Offer; any person placing reliance on any other source of information (not released by the Acquirer, the PACs, or the Manager) would be doing so at its/his/her own risk.
- 1.10. The Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer, the PACs and the Manager to the Offer do not accept any responsibility in this regard, including for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
- 1.11. The Public Shareholders are advised to consult the stockbroker, investment consultants, and legal, financial, tax, or other advisors and consultants of their choosing, for assessing further risks with respect to their participation in the Offer and related transfer of Equity Shares of the Target Company to the Acquirer. Each Public Shareholder of the Target Company is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Open Offer.
- 1.12. The Acquirer, PACs and the Manager to the Offer accept no responsibility for statements made otherwise than in the Public Announcement, the DPS, this Draft Letter of Offer, the Letter of Offer, the Offer Opening Public Announcement or in any corrigendum (if issued) or any other materials issued by or at the instance of the Acquirer and the Manager to the Offer in relation to the Offer (excluding all information which has been obtained from publicly available sources), and anyone or any person placing reliance on any other source of information (not released by the Acquirer, PACs or the Manager to the Offer) in relation to the Offer will be doing so at his/her/its own risk.
- 1.13. The Open Offer is being made for securities of an Indian company and Public Shareholders of the Target Company in the U.S. should be aware that the Letter of Offer and any other documents relating to the Open Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the Offer timetable and timing of payments, all of which differ from those in the U.S. Any financial information included in the Letter of Offer or in any other documents relating to the offer has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

- 1.14. This Offer is subject to completion risks as would be applicable to similar transactions.
- 1.15. Neither the U.S Securities Exchange Commission nor any U.S state securities commission has approved or disapproved the Open offer or passed any comment upon the adequacy or completeness of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the U.S.

## **2. Probable risks involved in associating with the Acquirer and PACs**

- 2.1. The Acquirer, Manager and the PACs make no assurance with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
- 2.2. The Acquirer and PACs makes no assurances with respect to its investment/divestment decisions relating to its proposed shareholding in the Target Company.
- 2.3. As a result of the Equity Shares accepted in the Offer, the non-public shareholding in the Target Company may exceed the maximum permissible non-public shareholding, as required to be maintained as per the SEBI (SAST) Regulations and the SEBI (LODR) Regulations, read with the SCRR. While the Acquirer and the PACs are required to take necessary steps to facilitate the compliance by the Target Company with the relevant provisions prescribed under the SCRR as per the requirements of Regulation 7(4) of the SEBI (SAST) Regulations and the SEBI (LODR) Regulations, within the time period stated therein, through permitted routes and any other such routes as may be approved by SEBI from time to time, any failure to comply with the conditions of aforesaid regulations could have an adverse effect on the price and tradability of the Equity Shares of the Target Company.
- 2.4. None of the Acquirer, the PACs or the Manager will be responsible in any manner for any loss of Equity Share certificate(s) and Offer acceptance documents during transit.
- 2.5. Neither the Manager to the Offer nor the Acquirer and PACs can provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and each of them expressly disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholder regarding whether or not to participate in the Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- 2.6. Persons in possession of this Draft Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Public 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. The risk factors set forth above are not a complete analysis of all risks in relation to the Offer or in association with the Acquirer and the PACs but are only indicative in nature. The risk factors set forth above are limited to the Offer and do not pertain 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 Public Shareholders in the Offer. Public Shareholders are advised to consult their stockbrokers, tax advisors or investment consultants for understanding further risks with respect to their participation in the Offer.



**The risk factors set forth above are not a complete analysis of all risks in relation to the Offer or in association with the Acquirer and the PACs but are only indicative in nature. The risk factors set forth above are limited to the Offer and do not pertain 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 Public Shareholders in the Offer. Public Shareholders are advised to consult their stockbrokers, tax advisors or investment consultants for understanding further risks with respect to their participation in the Offer.**

#### **DISCLAIMER FOR PERSONS IN THE UNITED STATES**

The offer is being made for securities of an Indian company and public shareholders of the Target Company in the U.S. should be aware that the DLOF and any other documents relating to the Open Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the offer timetable and timing of payments, all of which differ from those in the U.S. any financial information included in the DLOF or in any other documents relating to the Offer has been or will be prepared in accordance with non- U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.

The receipt of cash pursuant to the offer by a public shareholder of the target company may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Public Shareholder of the Target Company is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the offer.

It may be difficult for U.S. holders of equity shares to enforce their rights and any claims they may have arising under the U.S. federal securities laws in connection with the Offer, since the Target Company, the Acquirer and the PACs are incorporated in countries other than the U.S., and some or all of their officers and directors may be residents of countries other than the U.S. U.S. holders of Equity Shares in the Target Company may not be able to sue the Target Company, the Acquirer, the PACs or their respective officers or directors in a non - U.S. court for violations of U.S. Securities Laws. Further, it may be difficult to compel the Target Company, the Acquirer, the PACs or their respective affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

Neither the U.S. securities exchange commission nor any U.S. state securities commission has approved or disapproved the offer or passed any comment upon the adequacy or completeness of the LOF. Any representation to the contrary is a criminal offence in the U.S.

#### **DISCLAIMER FOR PERSONS IN OTHER FOREIGN COUNTRIES**

This draft letter of offer has not been filed, registered, or approved in any jurisdiction outside India. Recipients of this draft 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. This draft 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 authorized or to any person to whom its unlawful to make such offer or solicitation.

### **CURRENCY OF PRESENTATION**

In this draft letter of offer, all references to “Rs.” Or “INR” or “₹” are to Indian rupee(s), the official currency of India. In this draft letter of offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

In this draft letter of offer, all references to “INR” or “Rs.” Or “rupees” or “₹” are references to the Indian rupees, all references to “USD” or “US Dollar” or “US\$” are references to the United States dollar, all references to “CHF” are references to the Swiss Franc, and all references to “EUR” are references to the Euro.

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## 1. DEFINITIONS / ABBREVIATIONS

| TERM                             | DEFINITION/DETAILS   |
|----------------------------------|--|
| “Acquirer”                       | Sudarshan Europe B.V.  |
| “Business Day”                   | Any day on which banks are open for general banking purposes in Mumbai, India, other than a Saturday, Sunday, or a public holiday.   |
| “BSE”                            | BSE Limited  |
| “Buying Broker”                  | Axis Capital Limited   |
| “CDSL”                           | Central Depository Services (India) Limited  |
| “CIN”                            | Corporate Identity Number.   |
| “Clearing Corporation”           | Indian Clearing Corporation Limited and National Securities Clearing Corporation Limited.  |
| “CKYC”                           | Central Know Your Client   |
| “Detailed Public Statement/ DPS” | The detailed public statement dated March 08, 2025, in connection with the Offer, filed and submitted with SEBI, on behalf of the Acquirer and the PACs by Axis Capital Limited as the Manager to the Offer and as published in the Newspapers on March 10, 2025, mentioned in paragraph 3.2.2 of this DLOF  |
| “Depositories”                   | Central Depository Services (India) Limited i.e. CDSL and National Securities Depository Limited i.e. NSDL   |
| “DIN”                            | Director Identification Number   |
| “DLOF or Draft Letter of Offer”  | This draft letter of offer dated March 18, 2025, filed with SEBI pursuant to Regulation 16(1) of the SEBI (SAST) Regulations.  |
| “DP”                             | Depository Participant   |
| “Equity Share(s)”                | Fully paid-up equity shares having a face value of INR 10 (Indian Rupees Ten only) each of the Target Company  |
| “Escrow Account”                 | Escrow account under the name and title of ‘ <b>HSBC-SUDARSHAN EUROPE B.V. OPEN OFFER ESCROW ACCOUNT</b> ’ bearing account number 105-014088-001 with the Escrow Agent.  |
| “Escrow Agent”                   | The Hongkong and Shanghai Banking Corporation Limited a scheduled commercial bank in India, acting through its branch office at 11th Floor, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063.   |
| “Escrow Agreement”               | Escrow agreement dated March 05, 2025, entered into between Acquirer, the Manager to the Offer and the Escrow Agent.   |
| “Escrow Amount”                  | The cash amount deposited by the Acquirer in the Escrow Account in compliance with Regulation 17 of the SEBI (SAST) Regulations, being INR 361,50,00,000.00 (Indian Rupees Three Hundred and Sixty-One Crores and Fifty Lakhs Only).   |
| “Existing Voting Share Capital”  | The issued, subscribed and fully paid-up equity share capital of the Target Company i.e., 23,08,17,980 (Indian Rupees Twenty-Three Crore Eight Lakh Seventeen Thousand Nine Hundred and Eighty only) divided into 2,30,81,798 (Two Crore Thirty Lakhs Eighty-One Thousand Seven Hundred and Ninety Eight) fully paid-up Equity Shares of face value of Rs.10/- (Indian Rupees Ten only) each |

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| <b>“FEMA”</b>  | Foreign Exchange Management Act, 1999, as amended, and as per rules or regulations issued thereunder.  |
| <b>“FI”</b>  | Financial Institutions.  |
| <b>“FII / FPI”</b>   | Foreign Institutional Investor or Foreign Portfolio Investor as defined in FEMA.   |
| <b>“Form of Acceptance/FoA”</b>                                  | Form of Acceptance-cum-Acknowledgement.  |
| <b>“Identified Date”</b>   | The date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period for the purpose of determining the Public Shareholders of the Target Company to whom the Letter of Offer shall be sent.   |
| <b>“Income Tax Act”</b>  | Income Tax Act, 1961, and subsequent amendments thereto.   |
| <b>“KYC”</b>   | Know Your Client   |
| <b>Letter of Offer/ LOF</b>                                      | Letter of Offer dated [●], which shall be dispatched to the Public Shareholders of the Target Company.   |
| <b>“Manager / Manager to the Offer”</b>                          | Axis Capital Limited   |
| <b>“Maximum Open Offer Consideration or Offer Consideration”</b> | INR 3,61,29,43,374.04 (Indian Rupees Three Hundred Sixty One Crore Twenty Nine Lakh Forty Three Thousand Three Hundred and Seventy Four and Paise Four Only) being the total consideration payable to the Public Shareholders by the Acquirer pursuant to the Offer, assuming full acceptance of the Offer.  |
| <b>“N.A.”</b>  | Not Applicable   |
| <b>“NOC”</b>   | No Objection Certificate   |
| <b>“NRI”</b>   | Non-Resident Indian as defined under FEMA  |
| <b>“NSDL”</b>  | National Securities Depository Limited   |
| <b>“NSE”</b>   | National Stock Exchange of India Limited   |
| <b>“OCB(s)”</b>  | Overseas Corporate Bodies  |
| <b>“Offer Opening Public Announcement”</b>                       | The announcement of the commencement of the Tendering Period made on behalf of the Acquirer.   |
| <b>“Offer”</b>   | Open offer made by the Acquirer for acquisition of the Offer Shares from the Public Shareholders of the Target Company, at the Offer Price per Offer Share.  |
| <b>“Offer Period”</b>  | The same meaning ascribed to it in the SEBI (SAST) Regulations.  |
| <b>“Offer Price”</b>   | INR 602.03 (Indian Rupees Six Hundred and Two and Paise Three Only) per Offer Share, comprising of INR 578.11 (Indian Rupees Five Hundred Seventy Eight and Paise Eleven Only) per Offer Share, calculated in accordance with Regulation 8(1) read with Regulation 8(3) of the SEBI (SAST) Regulations plus interest of INR 23.92 (Indian Rupees Twenty Three and Paise Ninety Two Only) per Offer Share, computed at the interest rate of 10% per annum, for the period between October 11, 2024 and March 10, 2025, being the date of publication of DPS, in terms of Regulation 8(12) of SEBI (SAST) Regulations. |
| <b>“Offer Shares”</b>  | Up to 6,001,268 (Sixty Lakh One Thousand Two Hundred and Sixty Eight) equity shares of the Target Company.   |
| <b>“Offer Size”</b>  | Offer Shares representing 26.00% (twenty six Percent) of the Voting Share Capital.   |
| <b>“PAN”</b>   | Permanent Account Number.  |
| <b>“PACs”</b>  | Collectively refers to PAC-1, PAC-2 and PAC-3  |

|   |   |
|---|---|
| <b>“PAC-1”</b>  | Sudarshan Chemical Industries Limited   |
| <b>“PAC-2”</b>  | Heubach Holding Switzerland AG  |
| <b>“PAC-3”</b>  | Heubach Ebito Chemieeteiligungen AG   |
| <b>“PA / Public Announcement”</b>                                 | The public announcement in connection with the Offer made by the Manager to the Offer on behalf of the Acquirer and PACs submitted to the Stock Exchanges, SEBI and sent to the Target Company on October 16, 2024 .  |
| <b>“Public Shareholders”</b>                                      | All holders of the Voting Share Capital of the Target Company, other than the Acquirer, the promoter, members of the promoter group of the Target Company, the PACs, the parties to the Transaction Documents (as defined below), and any persons deemed to be acting in concert with any of the parties mentioned above, pursuant to and in compliance with the SEBI (SAST) Regulations. |
| <b>“Registrar to the Offer” and “Registrar to Target Company”</b> | MUFG Intime India Private Limited   |
| <b>“Rs. /Rupees/INR/₹”</b>  | The lawful currency of the Republic of India.   |
| <b>“RBI”</b>  | Reserve Bank of India.  |
| <b>“SCRR”</b>   | The Securities Contracts (Regulation) Rules, 1957, as amended.  |
| <b>“SEBI Act”</b>   | Securities and Exchange Board of India Act, 1992, as amended.   |
| <b>“SEBI (LODR) Regulations”</b>                                  | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.   |
| <b>“SEBI (SAST) Regulations”</b>                                  | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.   |
| <b>“SEBI”</b>   | Securities and Exchange Board of India.   |
| <b>“Stock Exchanges”</b>  | BSE and NSE.  |
| <b>“STT”</b>  | Securities Transaction Tax.   |
| <b>“Target Company”</b>   | Heubach Colorants India Limited, a listed public limited company incorporated under the Companies Act, 1956, with CIN L24110MH1956PLC010806 and whose registered office is at Rupa Renaissance, B Wing, 25th Floor, D-33, MIDC Road, TTC Industrial Area Juinagar, Navi Mumbai, Maharashtra, India, 400705  |
| <b>“Tendering Period”</b>   | Period expected to commence on Wednesday, April 30, 2025, and close on Thursday, May 15, 2025 (both days inclusive)   |
| <b>“Transaction Documents”</b>                                    | The Purchase and Transfer Agreement and Sale and Purchase Agreement (as explained in point no. 3.1 – (Background to the Offer) of this Draft Letter of Offer)   |
| <b>“TRS”</b>  | Transaction Registration Slip   |
| <b>“Underlying Transaction”</b>                                   | The acquisition of Equity Shares of the Target Company pursuant to the Purchase and Transfer Agreement and Sale and Purchase Agreement (as explained in point no. 3.1 – (Background to the Offer) of this Draft Letter of Offer)  |
| <b>“U.S.”</b>   | United States of America.   |
| <b>“USD/US\$”</b>   | United States Dollars.  |

|                               |  |
|-------------------------------|--|
| <b>“Voting Share Capital”</b> | The total voting equity share capital of the Target Company, as of the 10th (tenth) Working Day from the closure of the Tendering Period of the Open Offer |
| <b>“Working Day”</b>          | Working days of SEBI as defined under Regulation 2(1) (zf) of the SEBI (SAST) Regulations.   |

*Note: All capitalized terms used in this Draft Letter of Offer, but not specifically defined herein, shall have the meanings ascribed to them under the SEBI (SAST) Regulations.*

## 2. DISCLAIMER

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE DRAFT LETTER OF OFFER WITH 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 SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE PUBLIC SHAREHOLDERS OF HEUBACH COLORANTS INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET 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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS REGARD, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, AXIS CAPITAL LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 18, 2025, TO SEBI IN ACCORDANCE WITH 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 MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.**

### **UNITED STATES OF AMERICA**

THE OFFER IS BEING MADE FOR SECURITIES OF AN INDIAN COMPANY AND PUBLIC SHAREHOLDERS OF THE TARGET COMPANY IN THE U.S. SHOULD BE AWARE THAT THE LOF AND ANY OTHER DOCUMENTS RELATING TO THE OPEN OFFER HAVE BEEN OR WILL BE PREPARED IN ACCORDANCE WITH INDIAN PROCEDURAL AND DISCLOSURE REQUIREMENTS, INCLUDING REQUIREMENTS REGARDING THE OFFER TIMETABLE AND TIMING OF PAYMENTS, ALL OF WHICH DIFFER FROM THOSE IN THE U.S. ANY FINANCIAL INFORMATION INCLUDED IN THE LOF OR IN ANY OTHER DOCUMENTS RELATING TO THE OFFER HAS BEEN OR WILL BE PREPARED IN ACCORDANCE WITH NON-U.S. ACCOUNTING STANDARDS THAT MAY NOT BE COMPARABLE TO FINANCIAL STATEMENTS OF COMPANIES IN THE U.S. OR OTHER COMPANIES WHOSE FINANCIAL STATEMENTS ARE PREPARED IN ACCORDANCE WITH U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

THE RECEIPT OF CASH PURSUANT TO THE OFFER BY A PUBLIC SHAREHOLDER OF THE TARGET COMPANY MAY BE A TAXABLE TRANSACTION FOR U.S. FEDERAL INCOME TAX PURPOSES AND UNDER APPLICABLE U.S. STATE AND LOCAL, AS WELL AS FOREIGN AND OTHER, TAX LAWS. EACH PUBLIC SHAREHOLDER OF THE TARGET COMPANY IS URGED TO CONSULT HIS INDEPENDENT PROFESSIONAL ADVISER IMMEDIATELY REGARDING THE TAX CONSEQUENCES OF ACCEPTING THE OFFER.

IT MAY BE DIFFICULT FOR U.S. HOLDERS OF EQUITY SHARES TO ENFORCE THEIR RIGHTS AND ANY CLAIMS THEY MAY HAVE ARISING UNDER THE U.S. FEDERAL SECURITIES LAWS IN CONNECTION WITH THE OFFER, SINCE THE TARGET COMPANY, THE ACQUIRER AND THE PACs ARE INCORPORATED IN COUNTRIES OTHER THAN THE U.S., AND SOME OR ALL OF THEIR OFFICERS AND DIRECTORS MAY BE RESIDENTS OF COUNTRIES OTHER THAN THE U.S. U.S. HOLDERS OF EQUITY SHARES IN THE TARGET COMPANY MAY NOT BE ABLE TO SUE THE TARGET COMPANY, THE ACQUIRER, THE PACs OR THEIR RESPECTIVE OFFICERS OR DIRECTORS IN A NON-U.S. COURT FOR VIOLATIONS OF U.S. SECURITIES LAWS. FURTHER, IT MAY BE DIFFICULT TO COMPEL THE TARGET COMPANY, THE ACQUIRER, THE PACs OR THEIR RESPECTIVE AFFILIATES TO SUBJECT THEMSELVES TO THE JURISDICTION OR JUDGMENT OF A U.S. COURT.

NEITHER THE U.S. SECURITIES EXCHANGE COMMISSION NOR ANY U.S. STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE OFFER OR PASSED ANY COMMENT UPON THE ADEQUACY OR COMPLETENESS OF THE LOF. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE U.S.

#### **General Disclaimer**

This DLOF together with the PA dated October 16, 2024, and the DPS that was published on March 10, 2025, 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, the Acquirer, the PACs and any persons deemed to be acting in concert with 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, the PACs, or any persons acting in concert with the Acquirer, are 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 Public 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 Detailed Public Statement and/or the Letter of Offer under any local securities laws), shall not be treated by such Public 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 Detailed Public Statement and /or the Letter of Offer are required to inform themselves of any relevant restrictions. Any Public 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 authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.



### 3. DETAILS OF THE OFFER

#### 3.1. Background of this Offer

3.1.1. This Offer is being made by the Acquirer and PACs in terms of Regulation 3(1),4 and 5(1) of the SEBI (SAST) Regulations, is triggered pursuant to an indirect acquisition of the Equity Shares, voting rights and control of the Target Company by Acquirer and PACs, pursuant to the following:

- a) The Target Company is a public limited company incorporated and listed in India with 36.56% of its equity share capital held by PAC-2 (Heubach Holding Switzerland AG) (formerly known as Colorants International AG) a company incorporated under the laws of Switzerland, 17.80% of its equity share capital held by PAC-3 i.e., Heubach Ebito Chemieeteiligungen AG (formerly known as Ebito Chemieeteiligungen AG) and the balance 45.64% is held by public shareholders. PAC-2 and PAC-3 are currently the promoters of the Target Company. Heubach Ebito Chemieeteiligungen AG was held by PAC-2 and PAC-2 was held by Heubach Group GmbH which was in turn held by Heubach Holding Germany GmbH and Heubach Holding Germany GmbH was held by Heubach Holding S.à.r.l.
- b) On October 11, 2024, the Acquirer had entered into (i) Purchase and Transfer Agreement (“PTA”) with the Attorney Dr. Andreas Kleinschmidt, (the “Administrator”), acting in his capacity as insolvency administrator over the assets of (a) Heubach Colorants Germany GmbH, (b) Heubach GmbH (c) Dr. Hans Heubach GmbH, and, with the consent of the Administrator in his capacity as creditors’ trustee of, Heubach Group GmbH for acquisition of assets of the insolvent German companies including participations held by the Heubach Holding Switzerland AG in its Subsidiary Companies , including investment in equity shares of the Target Company (ii) Sale and Purchase Agreement (“SPA”) with SK Neptune Husky Finance S.à.r.l for the acquisition of entire shareholding in Heubach Holding S.à.r.l having further investment in companies based in India and USA.
- c) At the time of execution of PTA and SPA, PAC-2 held 36.56% of the Voting Share Capital of the Target Company and PAC-3, a Switzerland based Wholly Owned Subsidiary of PAC-2, held 17.80% of the Voting Share Capital of the Target Company.

#### 3.1.2. The salient features of the PTA and SPA are:

- a) The Acquirer, entered into the Purchase and Transfer Agreement (PTA) and Sale and Purchase Agreement (SPA) on October 11, 2024, for the acquisition of the Global Pigment Business Operations of Heubach Group.
- b) Under the SPA, the Acquirer acquired 100% of the shares of Heubach Holding S.à.r.l., including its subsidiaries Heubach Colorants Pvt. Ltd. (HCPL) and Heubach Holding USA, from S.K. Neptune Husky Finance S.à.r.l. The transfer was executed through a Luxembourg-law governed share transfer instrument at Closing. As per Section 3.6 of the SPA, the Acquirer became entitled to all economic benefits and obligations related to the Sold Shares with effect from May 31, 2024 (Locked Box Date), including all undistributed profits from previous fiscal years. Additionally, the Acquirer acquired Sold Loans by way of an assignment agreement executed at Closing.

- c) Under the PTA, the Acquirer acquired assets from the insolvent German companies (Heubach Colorants Germany GmbH, Heubach GmbH, and Dr. Hans Heubach GmbH) through the insolvency administrator, Dr. Andreas Kleinschmidt. The transaction included:
- i. Acquisition of Sold Shares in subsidiaries.
  - ii. Movable Fixed Assets, including machinery, equipment, and vehicles.
  - iii. Intellectual Property Rights, including patents, trademarks, trade secrets, and domain names.
  - iv. Transfer of Know-How and Business Secrets, including operational methodologies, customer data, and proprietary processes.
  - v. Acquisition of Real Property related to Dr. Hans Heubach GmbH's business operations under a Real Estate Purchase Agreement (REPA).
  - vi. Acquisition of Supplier and Customer Contracts, subject to consent where applicable.
  - vii. Transfer of Employment Relationships under applicable laws.
  - viii. Acquisition of NewCo Shares, free of encumbrances, by the Acquirer or its designated entities, pursuant to Section 14.4.4 of the PTA.
- d) The PTA and SPA facilitated the indirect acquisition of the Target Company, as PAC-2 and PAC 3 held 36.56% and 17.80%, respectively, of the Target Company's Voting Share Capital. The transaction granted the Acquirer control over the Target Company's voting rights and management through the acquisition of Heubach Holding S.à.r.l. and its subsidiaries.

#### **Salient Features of the Agreement Between Acquirer and PACs**

There is no separate agreement between the Acquirer and the PACs with respect to this Offer. However, control of the Target Company indirectly transferred to the Acquirer pursuant to the SPA and PTA, as detailed above.

#### **Change in Control and Salient Features of the Arrangement**

- a) The change in control was not a direct acquisition but was triggered pursuant to an indirect acquisition of the equity shares, voting rights, and control of the Target Company through the acquisition of Heubach Ebita Chemiebeteteiligungen AG and Heubach Holding S.à.r.l. by the Acquirer.
  - b) Through the SPA, the Acquirer indirectly gained control over the Target Company, as Heubach Holding S.à.r.l. was the ultimate parent entity of PAC-2 and PAC-3, which collectively held 54.36% of the equity share capital of the Target Company.
  - c) However, as on the date of this DLOF, PAC-2 and PAC-3 have become wholly owned subsidiaries of the Acquirer, and hence, the Acquirer is indirectly holding 54.36% of the Voting Share Capital of the Target Company.
- 3.1.3. As on the date of this DLOF, the Acquirer has already completed the acquisition of assets of the insolvent German companies including participations held by PAC-2 in its Subsidiary Companies, including investment in equity shares of the Target Company vide the Sale and Purchase Agreement with SK Neptune Husky Finance S.à.r.l for the acquisition of entire shareholding in Heubach Holding S.à.r.l. having further investment in companies based in India and USA and the Acquirer became entitled to indirectly exercise 54.36% of the Voting Share Capital and control over the Target Company.

Consequently, the Acquirer and the PAC-1 acquired indirect control over the Target Company.

- 3.1.4. The Acquirer along with PACs is giving an offer to the Public Shareholders to acquire up to 60,01,268 (Sixty Lakh One Thousand Two Hundred Sixty Eight) **Equity Shares** of face value of Rs. 10/- (Indian Rupees Ten only) each of the Target Company constituting 26.00% (twenty six percent) of the Total Voting Share Capital of the Target Company, as of the 10th (tenth) working day from the closure of the Tendering Period, subject to the terms and conditions mentioned in the PA, the DPS, LOF that is proposed to be issued in accordance with the SEBI (SAST) Regulations.
- 3.1.5. The Open Offer is being made at a price of INR 602.03 (Indian Rupees Six Hundred and Two and Paise Three Only) (“**Offer Price**”) per Equity Share of the Target Company, plus interest of INR 23.92 (Indian Rupees Twenty Three and Paise Ninety Two Only) per share, computed at the interest rate of 10% per annum, for the period between October 11, 2024 and March 10, 2025, being the date of publication of the DPS, which has been calculated in accordance with Regulations 8(1), 8(3) and 8(12) of the SEBI (SAST) Regulations. Assuming full acceptance of the Open Offer, the total consideration payable by the Acquirer under the Open Offer at the Offer Price will be Rs. 3,61,29,43,374.04 (Indian Rupees Three Hundred Sixty-One Crore Twenty-Nine Lakh Forty-Three Thousand Three Hundred and Seventy Four and Paise Four Only) payable in cash (“**Offer Consideration**”).
- 3.1.6. The Open Offer is being made under Regulations 3(1), 4 and 5(1) of SEBI (SAST) Regulations since the Acquirer and the PACs are entitled to indirectly exercise: a) 54.36% of the Voting Share Capital; and b) control over the Target Company pursuant to the Underlying Transaction. Following the completion of the Open Offer, the Acquirer and PACs, with their operational expertise and financial strength, intend to position the Target Company for future growth and creation of value for its stakeholders.
- 3.1.7. As per Regulations 26(6) and 26(7) of SEBI (SAST) Regulations, 2011, the Board of Directors of the Target Company are required to constitute a committee of Independent Directors, to provide its written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations shall be published at least 2 (two) Working Days before the commencement of the Tendering Period in the same newspapers where the DPS of the Offer is published. A copy of the above shall be sent to SEBI, Stock Exchanges, and Manager to the Open Offer and in case of a competing offer/s to the Manager/s to the Open Offer for every competing Offer.
- 3.1.8. Neither the Acquirer nor the PACs have been prohibited by the SEBI from dealing in securities, in terms of Section 11B of the SEBI Act or under any of the regulations made under the SEBI Act.
- 3.1.9. Given below are the details of the underlying transactions:

| DETAILS OF UNDERLYING TRANSACTION |                                 |   |                         |                                   |                                    |
|-----------------------------------|---------------------------------|---|-------------------------|-----------------------------------|------------------------------------|
| Type of Transaction (direct/      | Mode of Transaction (Agreement) | Shares/Voting rights acquired/proposed to be acquired | Total Consideration for | Mode of payment (Cash/securities) | Regulation which has triggered the |

| indirect)                   | nt/<br>Allotment<br>/ market<br>purchase)  | Number  | % vis a<br>vis total<br>equity/<br>voting<br>capital                             | shares/Voti<br>ng Rights<br>(VR)<br>acquired                  |   | Offer  |
|-----------------------------|--|---|--|---|---|--|
| Indirect<br>acquisitio<br>n | SPA and<br>PTA in<br>relation to<br>the<br>Underlyin<br>g<br>Transactio<br>n as<br>mentioned<br>in 3.1.1.<br>above | Indirect<br>acquisiti<br>on of<br>12,548,8<br>11<br>Equity<br>Shares<br>of the<br>Target<br>Compan<br>y, which<br>are<br>directly<br>held by<br>PAC-2<br>and<br>PAC-3 | Indirect<br>acquisiti<br>on of<br>54.36%<br>of the<br>Voting<br>Share<br>Capital | Not<br>applicable<br>as this is an<br>indirect<br>acquisition | Not<br>applicable as<br>this is an<br>indirect<br>Acquisition | Regulations<br>3(1),<br><br>4 and 5(1) of<br>the SEBI<br>(SAST)Regulati<br>ons |

### 3.2. Details of the Offer

- 3.2.1. The Public Announcement in connection with the Offer was made by the Manager to the Offer on behalf of the Acquirer to the Stock Exchanges, submitted to SEBI, and sent to the Target Company on October 16, 2024.
- 3.2.2. In accordance with Regulation 14(3) of the SEBI (SAST) Regulations, the DPS in connection with the Offer was published on behalf of the Acquirer on March 10, 2025, in the following newspapers:

| Newspaper         | Language | Editions |
|-------------------|----------|----------|
| Financial Express | English  | All      |
| Jansatta          | Hindi    | All      |
| Navshakti         | Marathi  | Mumbai   |

- 3.2.3. The DPS was also submitted to SEBI and the Stock Exchanges and was also sent to the Target Company on March 10, 2025
- 3.2.4. The copy of PA and DPS is available on the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)).
- 3.2.5. This Offer is being made under Regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations to the Public Shareholders of the Target Company.
- 3.2.6. Under the Offer, the Acquirer along with PACs proposes to acquire up to 6,001,268 (Sixty Lakh One Thousand Two Hundred and Sixty-Eight) Equity Shares representing 26.00% (twenty-six percent) of the Voting Share Capital from the Public Shareholders at a per Equity Share price of INR 602.03 (Indian Rupees Six Hundred and Two and Paise Three Only) which includes a price of INR 578.11 (Indian Rupees Five Hundred Seventy Eight and Paise Eleven Only) per Equity Share and an enhancement of INR 23.92 (Indian Rupees Twenty Three and Paise Ninety Two Only) per Equity Share i.e. 10% per annum for the period between October 11, 2024 and March 10, 2025 i.e. the date of the publication of the DPS, in accordance with Regulation 8(12) of the SEBI (SAST) Regulations, payable in cash.

- 3.2.7. The Offer Price has been arrived at in accordance with applicable provisions of Regulation 8 of the SEBI (SAST) Regulations.
- 3.2.8. The Offer Price will be paid in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- 3.2.9. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.
- 3.2.10. As on the date of this DLOF, there are no outstanding partly paid-up Equity Shares of the Target Company or outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company.
- 3.2.11. The Acquirer has not directly acquired any Equity Shares of the Target Company from the date of the PA to the date of this DLOF. However, as on the date of this DLOF, the Acquirer is indirectly holding 54.36% of the Voting Share Capital of the Target Company through its direct holding in PAC-2 and PAC-3. The Acquirer shall disclose during the Offer Period any acquisitions made by the Acquirer of any Equity Shares of the Target Company in the prescribed form, to each of the Stock Exchanges and to the Target Company at its registered office within 24 (twenty-four) hours of such acquisition, in accordance with Regulation 18(6) of the SEBI (SAST) Regulations.
- 3.2.12. There has been no competing offer as of the date of this DLOF.
- 3.2.13. There is no differential pricing for the Offer.
- 3.2.14. The Public Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are clear from all liens, charges, and encumbrances. The Acquirer and PACs shall acquire the Equity Shares from the Shareholders who have validly tendered their Equity Shares in this Offer, together with all rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof and in accordance with the terms and conditions set forth in the Public Announcement, the Detailed Public Statement and in this Draft Letter of Offer, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
- 3.2.15. Currently, the Acquirer and the PACs do not have any intention to dispose-off or otherwise encumber any material assets or investments of the Target Company, through sale, lease, encumbrance, or otherwise, other than (a) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business requirements), or (b) to the extent required for the purpose of restructuring, merger, demerger, amalgamation and/or rationalisation of assets, investments, liabilities or business of the Target Company and/or its subsidiaries including the possible sale of any brand and/or business sub-segment, or (c) as already agreed, disclosed and/or publicly announced by the Target Company, or (d) on account of regulatory approvals or conditions, or compliance with any law that is or becomes binding on or applicable to the operations of the Target Company. If the Acquirer intends to alienate any material asset of the Target Company within a period of 2 (two) years from the date of completion of this Open Offer, will be decided by its Board of Directors and shall be subject to an approval of the shareholders of the Target Company or any of its subsidiaries, as applicable, in accordance with proviso to Regulation 25(2) of the SEBI (SAST) Regulations would be taken before undertaking any such alienation of any material assets.

- 3.2.16. As on the date of this DLOF, to the best of the knowledge of the Acquirer and the PACs, there are no statutory approvals required by the Acquirer/PACs to complete this Open Offer. However, in case any statutory approvals are required by the Acquirer/PACs at a later date before closure of the tendering period, this Open Offer shall be subject to such statutory approvals and the Acquirer shall make the necessary applications for such statutory approvals. In the event that such statutory approvals are refused for any reason outside the reasonable control of the Acquirer, the Acquirer shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of withdrawal of this Offer, a public announcement will be made within 2 (two) working days of such withdrawal, in the same newspapers in which this Draft Letter of Offer has been published and such public announcement will also be sent to BSE, NSE, SEBI and the Target Company at its registered office. Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer and the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- 3.2.17. As per Regulation 38 of the SEBI (LODR) Regulations (defined above) read with Rule 19A of the SCRR (as defined above), the Target Company is required to maintain at least 25% (twenty five percent) public shareholding, as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to completion of this Open Offer, in the event that the public shareholding of the Target Company falls below the minimum public shareholding requirement as per SCRR, as amended, and the SEBI (LODR) Regulations (“MPS Requirement”), the Acquirer undertakes to take necessary steps (or cause the other promoters of the Target Company to take necessary steps) to bring down the non-public shareholding in the Target Company, to the level specified within the time prescribed in, and in accordance with the SCRR, SEBI (SAST) Regulations and other applicable SEBI guidelines / regulations. i.e., to bring down the non-public shareholding to 75% (seventy five percent) within 12 (twelve) months from the date of such fall in the public shareholding to below 25% (twenty five percent), through permitted routes and any other such routes as may be approved by SEBI from time to time.
- 3.2.18. The Offer Price is subject to revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirer and PACs at any time prior to 1 (One) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations.
- 3.2.19. The Manager does not hold any Equity Shares in the Target Company as on the date of this Draft Letter of Offer. The Manager to the Offer shall not deal, on their own account, in the Equity Shares of the Target Company during the Offer Period.

### **3.3. Objects of the Acquisition/Offer**

- 3.3.1. The Offer is being made to the Public Shareholders in accordance with regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations as a result of the completion of the Underlying Transaction.
- 3.3.2. Following the completion of the Open Offer, the Acquirer and PACs with their operational expertise and financial strength, intend to position the Target Company for future growth and creation of value for its stakeholders.
- 3.3.3. The Acquirer and the PACs reserve the right to streamline/restructure their holding in the Target Company and/or the operations, assets, liabilities and/or businesses of the Target Company through arrangements, reconstructions, restructurings, mergers

(including but not limited to, mergers with or between its subsidiaries), demergers, sale of assets or undertakings and/or re-negotiation or termination of existing contractual/operating arrangements, at a later date. Such decisions will be taken in accordance with procedures set out under applicable laws, pursuant to business requirements, and in line with opportunities or changes in economic circumstances from time to time. Other than the above, as on the date of this Draft Letter of Offer, the Acquirer and the PACs do not have any intention to dispose-off or otherwise encumber any material assets or investments of the Target Company, through sale, lease, encumbrance, or otherwise, other than (a) in the ordinary course of business (including for the disposal of assets and creating encumbrances in accordance with business requirements), or (b) to the extent required for the purpose of restructuring, merger, demerger, amalgamation and/or rationalisation of assets, investments, liabilities or business of the Target Company and/or its subsidiaries including the possible sale of any brand and/or business sub-segment, or (c) as already agreed, disclosed and/or publicly announced by the Target Company, or (d) on account of regulatory approvals or conditions, or compliance with any law that is or becomes binding on or applicable to the operations of the Target Company. If the Acquirer intends to alienate any material asset of the Target Company within a period of 2 (two) years from the date of completion of this Open Offer, will be decided by its Board of Directors and shall be subject to an approval of the shareholders of the Target Company or any of its subsidiaries, as applicable, in accordance with proviso to Regulation 25(2) of the SEBI (SAST) Regulations would be taken before undertaking any such alienation of any material assets

3.3.4. The Acquirer and PACs have 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 AND PACs**

##### 4.1. **Details of the Acquirer**

4.1.1. The Acquirer is a limited liability company, registered with the Kamer van Koophandel under registration number 34288322 having its registered office at Kingsfordweg 151, 1043 GR Amsterdam, The Netherlands. The Acquirer was incorporated on December 05, 2007.

4.1.2. There has been no change in the name of Acquirer since its incorporation.

4.1.3. The principal business of Acquirer is to perform activities with respect to marketing and distribution of Pigments.

4.1.4. The Acquirer belongs to the Sudarshan Chemical Group.

4.1.5. As on the date of this DLOF, equity shares of the Acquirer are not listed on any Stock Exchanges in India or any other jurisdiction.

4.1.6. As on the date of this DLOF, the issued and paid-up share capital of the Acquirer is EURO 28,10,000 comprising of 28,100 shares of Euro 100 each. The Acquirer is 100% owned by PAC-1. The Promoter of the Acquirer is PAC-1.

4.1.7. On October 11, 2024, the Acquirer entered into (i) Purchase and Transfer Agreement (“PTA”) with the Attorney Dr. Andreas Kleinschmidt, (the “Administrator”), acting

in his capacity as insolvency administrator over the assets of (a) Heubach Colorants Germany GmbH, (b) Heubach GmbH (c) Dr. Hans Heubach GmbH, and, with the consent of the Administrator in his capacity as creditors' trustee of, Heubach Group GmbH for acquisition of assets of the insolvent German companies including participations held by the Heubach Holding Switzerland AG in its Subsidiary Companies, including investment in equity shares of the Target Company (ii) Sale and Purchase Agreement (“SPA”) with SK Neptune Husky Finance S.à.r.l for the acquisition of entire shareholding in Heubach Holding S.à.r.l having further investment in companies based in India and USA.

- 4.1.8. At the time of execution of PTA and SPA, PAC-2 held 36.56% of the Voting Share Capital of the Target Company and PAC-3, a Switzerland based Wholly Owned Subsidiary of PAC-2, held 17.80% of the Voting Share Capital of the Target Company.
- 4.1.9. As on the date of this DLOF, the Acquirer is holding the entire shareholding of PAC-3 which was earlier held by PAC-2, which has resulted in indirect acquisition of 17.80% Voting Share Capital of the Target Company by the Acquirer. However, PAC-2 and PAC-3 have become wholly owned subsidiaries of the Acquirer, and hence, the Acquirer is indirectly holding 54.36% of the Voting Share Capital of the Target Company.
- 4.1.10. As on the date of this DLOF, the Acquirer has already completed the acquisition of assets of the insolvent German companies including participations held by PAC-2 in its Subsidiary Companies, including investment in equity shares of the Target Company vide a Sale and Purchase Agreement (“SPA”) with SK Neptune Husky Finance S.à.r.l for the acquisition of entire shareholding in Heubach Holding S.à.r.l. having further investment in companies based in India and USA and the Acquirer became entitled to indirectly exercise 54.36% of the Voting Share Capital and control over the Target Company. Consequently, the Acquirer and the PAC-1 acquired indirect control over the Target Company.
- 4.1.11. Acquirer does not directly hold any Equity Shares of the Target Company as on the date of this DLOF. Further, Acquirer has not directly acquired any equity shares of the Target Company after the date of the PA. The Acquirer through the Acquirer's subsidiaries, viz. PAC-2 and PAC-3, indirectly, holds 1,25,48,811 Equity Shares, representing approximately 54.36% of the Voting Share Capital. Other than the Underlying Transaction and the aforementioned indirect shareholding and controlling interest, the Acquirer does not have any relationship or interest in the Target Company as on the date of this DLOF. Further, there are no common directors on the board of directors of the Acquirer and the board of directors of the Target Company (the “**Board of Directors**”) as on the date of this DLOF.
- 4.1.12. Other than pursuant to the completion of Underlying Transaction, Acquirer indirectly holding shares in the Target Company, neither the Acquirer, its directors, and its key managerial personnel (as defined in the Companies Act, 2013) have any relationship with or interest in the Target Company. None of the Directors and Key employees of the Acquirer and the Promoter of the Acquirer, i.e., PAC-1 are on the Board of the Target Company.



- 4.1.13. Acquirer has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended (“SEBI Act”) or under any other regulation made under the SEBI Act.
- 4.1.14. Acquirer has not been categorized or declared as (i) “wilful defaulter” by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, in terms of Regulation 2(1) (ze) of the SEBI (SAST) Regulations.
- 4.1.15. None of the Directors of Acquirer have been categorized as a "fugitive economic offender" under Section 12 of Fugitive Economic Offender Act, 2018, in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.
- 4.1.16. There are no statutory approvals / regulatory actions / administrative warnings / directions subsisting or proceedings pending against the Acquirer under the SEBI Act and regulations made there under, and also by any other regulator.
- 4.1.17. As on date of this DLOF, the Acquirer is not an existing shareholder of the Target Company and hence, compliance under the provisions of chapter V of the SEBI (SAST) Regulations is not applicable on it.
- 4.1.18. The Acquirer confirms that there are no pending litigations pertaining to the securities market where it is made party to as on date of this DLOF.
- 4.1.19. The Corporate Governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, do not apply to the Acquirer, as it is an entity incorporated outside India. Under Dutch regulations, there is no obligation for the Acquirer to appoint a Compliance Officer. Furthermore, since the Acquirer’s equity shares are not listed on any stock exchange in India or any other jurisdiction, information regarding their closing market price is not applicable.
- 4.1.20. As on the date of this Draft Letter of Offer, the issued and paid-up share capital of the Acquirer is EURO 28,10,000 comprising of 28,100 equity shares of Euro 100 each. The Acquirer is 100% owned by PAC-1 and therefore, the Promoter of the Acquirer is PAC-1. The shareholding pattern of the Acquirer is as follows:

| Sr. No. | Shareholder’s Category                                    | Number Of Shares | % Of Shares Held |
|---------|---|------------------|------------------|
| 1       | Promoter – Sudarshan Chemical Industries Limited (PAC-1)* | 28,100           | 100%             |

*\*Acquirer is a wholly-owned subsidiary of Sudarshan Chemical Industries Limited i.e. PAC-1.*

- 4.1.21. The board of directors of the Acquirer comprises the following members:

| Name                    | Director Identification Number | Date of appointment | Qualification and Experience  |
|-------------------------|--------------------------------|---------------------|---|
| Rajesh Balkrishna Rathi | 00018628                       | July 12, 2021       | Mr. Rajesh Rathi is a member of the Board of the Acquirer. He has been on the Board |

|                            |   |                  |   |
|----------------------------|---|------------------|---|
|                            |   |                  | since July 12, 2021. He is also acting as a Managing Director of Sudarshan Chemical Industries Limited (PAC-1) effective June 01, 2018 and has been associated with PAC-1 for more than two decades in various capacities.  |
| Vincent Alexander Bembaron | Not Applicable as per Dutch Regulations | October 31, 2017 | Mr. Vincent Bembaron is a member of the Board of the Acquirer. He has been associated for almost 19 years with Sudarshan Chemical Group and has worked in a variety of roles from Customer Service Representative, Operations Manager, Sales Operations Manager and is currently occupying the position of Head of Customer Services (Europe) |

4.1.22. The key financial information of the Acquirer as extracted from its standalone audited financial statements for each of the three financial years i.e. for the year ended March 31, 2024, for the year ended March 31, 2023, and for the year ended March 31, 2022 is as follows:

| <b>PROFIT AND LOSS STATEMENT</b> |  |                         |  |                         |  |                         |
|----------------------------------|--|-------------------------|--|-------------------------|--|-------------------------|
| <b>Particulars</b>               | <b>For the year ended March 31, 2024</b> |                         | <b>For the year ended March 31, 2023</b> |                         | <b>For the year ended March 31, 2022</b> |                         |
|                                  | <b>EUR</b>                               | <b>INR (in Million)</b> | <b>EUR</b>                               | <b>INR (in Million)</b> | <b>EUR</b>                               | <b>INR (in Million)</b> |
| Net Turnover                     | 2,62,28,031                              | 2,366.2                 | 3,11,06,670                              | 2,787.4                 | 3,51,08,236                              | 2,972.3                 |
| Other Income                     | 20,361                                   | 1.8                     | 55,387                                   | 5.0                     | 13,444                                   | 1.1                     |
| Total Income                     | 2,62,48,392                              | 2,368.1                 | 3,11,62,057                              | 2,792.4                 | 3,51,21,680                              | 2,973.4                 |

| Total Expenditure  | 2,49,32,546                       | 2,249.4          | 2,98,08,492                       | 2,671.1          | 3,30,92,114                       | 2,801.6          |
|--|-----------------------------------|------------------|-----------------------------------|------------------|-----------------------------------|------------------|
| Profit Before Depreciation, Interest and Tax   | 13,15,846                         | 118.7            | 13,53,565                         | 121.3            | 20,29,566                         | 171.8            |
| Depreciation   | 1,538                             | 0.1              | 37,329                            | 3.3              | 44,763                            | 3.8              |
| Interest   | 3,43,412                          | 31.0             | 2,16,663                          | 19.4             | 1,17,071                          | 9.9              |
| Results before operations  | 9,70,896                          | 87.6             | 10,99,573                         | 98.5             | 18,67,732                         | 158.1            |
| Corporate Income tax   | 2,36,891                          | 21.4             | 1,91,259                          | 17.1             | 4,41,629                          | 37.4             |
| Result after taxation  | 7,34,005                          | 66.2             | 9,08,314                          | 81.4             | 14,26,103                         | 120.7            |
| <b>BALANCE SHEET</b>   |                                   |                  |                                   |                  |                                   |                  |
| Particulars  | For the year ended March 31, 2024 |                  | For the year ended March 31, 2023 |                  | For the year ended March 31, 2022 |                  |
|  | EUR                               | INR (in Million) | EUR                               | INR (in Million) | EUR                               | INR (in Million) |
| <b>Sources of Funds</b>  |                                   |                  |                                   |                  |                                   |                  |
| Paid up share Capital  | 28,10,000                         | 253.5            | 28,10,000                         | 251.8            | 28,10,000                         | 237.9            |
| Reserves and Surplus (excluding revaluation reserves)                                | 55,52,890                         | 501.0            | 48,18,885                         | 431.8            | 39,10,571                         | 331.1            |
| Net worth  | 83,62,890                         | 754.5            | 76,28,885                         | 683.6            | 67,20,571                         | 569.0            |
| Long term liabilities  | 41,69,385                         | 376.2            | 45,13,947                         | 404.5            | 42,17,050                         | 357.0            |
| Short term liabilities   | 28,93,076                         | 261.0            | 40,72,636                         | 364.9            | 72,10,414                         | 610.4            |
| Total  | 1,54,25,351                       | 1,391.6          | 1,62,15,468                       | 1,453.0          | 1,81,48,035                       | 1,536.4          |
| <b>Uses of funds</b>   |                                   |                  |                                   |                  |                                   |                  |
| Net fixed assets (inc. Financial fixed asset excl. Participation in group companies) | 12,24,394                         | 110.5            | 13,02,532                         | 116.7            | 9,99,924                          | 84.7             |

| Participation in group companies                | 35,66,109                         | 321.7            | 34,14,611                         | 306.0            | 34,14,611                         | 289.1            |
|---|-----------------------------------|------------------|-----------------------------------|------------------|-----------------------------------|------------------|
| Net current assets                              | 1,06,34,848                       | 959.5            | 1,14,98,325                       | 1,030.3          | 1,37,33,500                       | 1,162.7          |
| Total miscellaneous expenditure not written off | Nil                               | Nil              | Nil                               | Nil              | Nil                               | Nil              |
| <b>Total</b>                                    | <b>1,54,25,351</b>                | <b>1,391.6</b>   | <b>1,62,15,468</b>                | <b>1,453.0</b>   | <b>1,81,48,035</b>                | <b>1,536.4</b>   |
| <b>OTHER FINANCIAL DATA</b>                     |                                   |                  |                                   |                  |                                   |                  |
| Particulars                                     | For the year ended March 31, 2024 |                  | For the year ended March 31, 2023 |                  | For the year ended March 31, 2022 |                  |
|   | EUR                               | INR (in Million) | EUR                               | INR (in Million) | EUR                               | INR (in Million) |
| Dividend (%)                                    | Nil                               | Nil              | Nil                               | Nil              | Nil                               | Nil              |
| Earnings per share                              | Not Applicable                    | Not Applicable   | Not Applicable                    | Not Applicable   | Not Applicable                    | Not Applicable   |
| Return on Net Worth (%)                         | 8.8%                              | 8.8%             | 11.9%                             | 11.9%            | 21.2%                             | 21.2%            |
| Book Value per Equity Share                     | 297.6                             | 0.02             | 271.5                             | 0.02             | 239.2                             | 0.02             |

*Notes:*

1. Since the financial numbers are presented in EURO (EUR), the financial information has been converted to Indian National Rupees (INR) for the purpose of convenience. The conversion has been done at the rate 1 EUR = INR 90.2178 as on March 28, 2024; INR 89.6076 as on March 31, 2023; and INR 84.6599 as on March 31, 2022, for the year ended March 31, 2024, for the year ended March 31, 2023 and for the year ended March 31, 2022, respectively. (Source: - [www.fbil.org.in](http://www.fbil.org.in))
2. Abbreviations used in the table above are as per the standalone audited financial statements of the Acquirer for each of the three financial years i.e. for the year ended March 31, 2024, for the year ended March 31, 2023 and for the year ended March 31, 2022.
3. As per the applicable Dutch Regulations to the Acquirer, there is no requirement for preparation of interim financial statements, and therefore the latest available financial information is provided based on the last audited financial statements for the year ended March, 31, 2024.
4. As per the Standalone Audited Financial Statements for the year ended March 31, 2024, the Acquirer does not have any major contingent liabilities, commitments and guarantees.
5. Return on Net worth = Results after taxation / Net worth
6. Book value per share = Net worth / Number of equity shares

7. *The Acquirer has not declared any dividend for the year ended March 31, 2024, for the year ended March 31, 2023 and for the year ended March 31, 2022.*

#### 4.2. **Details of the PAC-1**

- 4.2.1. Sudarshan Chemical Industries Limited is the holding company of the Acquirer and therefore is indirectly holding 12,548,811 Equity Shares representing 54.36% of the Voting Share Capital of the Target Company. Hence, Sudarshan Chemical Industries Limited is being termed as PAC-1.
- 4.2.2. PAC-1 is a Public Company and was originally incorporated as “Sudarshan Chemical Industries Private Limited” on February 19, 1951, under the Indian Companies Act No. VII of 1913 with the Registrar of Companies, Maharashtra at Bombay. The name of the Company was subsequently changed to “Sudarshan Chemical Industries Limited” pursuant to the approval of the shareholders vide special resolution, at its extraordinary general meeting held on December 31, 1974 and a certificate of change of name was issued by the Registrar of Companies, Maharashtra at Bombay on May 15, 1975 under the provisions of the Companies Act, 1956. Since then, there has been no change in the name of PAC-1. It is registered with the Ministry of Corporate Affairs under registration number 008409 and Corporate Identification Number L24119PN1951PLC008409. Registered office of PAC-1 is situated at 7th Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune, Maharashtra 411069, India.
- 4.2.3. PAC-1 is engaged in the business of manufacturing global colour and effect pigments and solvent dyes for coatings, plastics, printing and digital printing, cosmetics and special applications.
- 4.2.4. PAC-1 belongs to the Sudarshan Chemical Group.
- 4.2.5. As on date of filing the DLOF, the equity shares of PAC-1 are listed on BSE Limited (“BSE”) (Scrip Code: 506655) and National Stock Exchange of India Limited (“NSE”) (NSE Symbol: “SUDARSCHEM”). The ISIN of the Equity Shares of the PAC-1 is INE659A01023. As on date, the Unsecured, Rated, Listed, Taxable, Redeemable Non-Convertible Debentures (“NCDs”) of PAC-1 are listed on the Wholesale Debt Market Segment of BSE. (Scrip Code: 974058). The ISIN of the NCDs of PAC-1 is INE659A08036.
- 4.2.6. The Total Authorised Share Capital of the PAC-1 is INR 20,00,00,000/- (Indian Rupees Twenty Crore only) comprising of 10,00,00,000 (Ten Crore) Equity Shares having a face value of INR 2/- (Indian Rupees Two only) each. The subscribed and paid-up Equity Share capital of the PAC-1 is INR 15,71,45,770/- (Indian Rupees Fifteen Crore Seventy-One Lakh Forty-Five Thousand Seven Hundred and Seventy only) comprising of 7,85,72,885 (Seven Crore Eighty Five Lakh Seventy Two Thousand Eight Hundred and Eighty Five) Equity Shares of INR 2/- (Indian Rupees Two only) each.
- 4.2.7. As on the date of this DLOF, PAC-1 does not directly hold any equity shares in the Target Company. However, PAC-1 has an indirect interest in the Target Company via its direct ownership in the Acquirer, which indirectly owns 1,25,48,811 Equity Shares constituting 54.36 % of the Voting Share Capital of the Target Company through its wholly owned subsidiaries PAC-2 and PAC-3.

- 4.2.8. PAC-1 has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended (“SEBI Act”) or under any other regulation made under the SEBI Act.
- 4.2.9. PAC-1 has not been categorized or declared as (i) “wilful defaulter” by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, in terms of Regulation 2(1) (ze) of the SEBI (SAST) Regulations.
- 4.2.10. None of the Directors or key managerial personnel of the PAC-1 have been categorized as a “fugitive economic offender” under Section 12 of Fugitive Economic Offender Act, 2018, in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.
- 4.2.11. There are no statutory approvals / regulatory actions / administrative warnings / directions subsisting or proceedings pending against PAC -1 under the SEBI Act and regulations made there under, and also by any other regulator.
- 4.2.12. As on date of this DLOF, PAC -1 is not an existing shareholder of the Target Company and hence, compliance under the provisions of chapter V of the SEBI (SAST) Regulations is not applicable on it.
- 4.2.13. PAC -1 confirms that there are no pending litigations pertaining to the securities market where it is made party to as on date of this DLOF.
- 4.2.14. The Shareholding Pattern of PAC-1 as on January 29, 2025 is set out below:

| Sr. No.      | Shareholder’s Category   | Number of Shares   | % of Shares   |
|--------------|--|--------------------|---------------|
| 1            | Promoter and Promoter Group  | 1,90,74,473        | 24.28         |
| 2            | FPIs / FIIs / Mutual Funds / FIs / Banks / VCF / AIF / Insurance Companies / NBFCs Registered with RBI | 2,50,53,559        | 31.89         |
| 3            | Other Public Shareholders  | 3,44,44,853        | 43.83         |
| <b>Total</b> |  | <b>7,85,72,885</b> | <b>100.00</b> |

- 4.2.15. The Shareholding Pattern of the Promoter and Promoter Group of PAC-1 as on January 29, 2025 is set out below:

| Name of the Promoter / Promoter Group                       | No. of Shares Held | Percentage Holding (in %) |
|---|--------------------|---------------------------|
| <b>A. Promoters</b>   |                    |                           |
| Pradeep Ramwilas Rathi <sup>#</sup>                         | 34,24,740          | 4.36                      |
| Rajesh Balkrishna Rathi                                     | 4,050,359          | 5.15                      |
| <b>B. Promoter Group</b>                                    |                    |                           |
| Rahul Pradeep Rathi <sup>#</sup>                            | 3,023,859          | 3.85                      |
| Ajay Balkrishna Rathi                                       | 0                  | 0.00                      |
| Ajoy Balkrishna Rathi (HUF) (Karta - Ajay Balkrishna Rathi) | 0                  | 0.00                      |
| Manan Ajay Rathi  | 827,900            | 1.05                      |

|   |                    |              |
|---|--------------------|--------------|
| Nisha Ajay Rathi  | 0                  | 0.00         |
| Rajesh Balkrishna Rathi (HUF) (Karta - Rajesh Balkrishna Rathi)                                   | 177,425            | 0.23         |
| Rachna Rajesh Rathi   | 14,120             | 0.02         |
| Narayandas Jagannath Rathi <sup>#*</sup>  | 437,650            | 0.56         |
| Anuj Narayandas Rathi <sup>#**</sup>  | 5,447,620          | 6.93         |
| Anuj Narayandas Rathi (HUF) (Karta - Anuj Narayandas Rathi) <sup>#**</sup>                        | 0                  | 0.00         |
| Archana Anuj Rathi <sup>#**</sup>   | 0                  | 0.00         |
| NJR Finance Private Limited <sup>#**</sup>  | 0                  | 0.00         |
| Kusum Balkrishna Rathi  | 0                  | 0.00         |
| Balkrishna Jagannath Rathi (HUF) (Karta - Ajay Balkrishna Rathi)                                  | 0                  | 0.00         |
| Subhadra Pradeep Rathi <sup>#</sup>   | 0                  | 0.00         |
| Balkrishna Rathi Finance Pvt Ltd  | 462,550            | 0.59         |
| Sow Rachna Rathi Family Trust (Trustees – Rajesh Balkrishna Rathi and Ajay Balkrishna Rathi)      | 1,208,250          | 1.54         |
| Shri Balkrishna Rathi Family Trust (Trustees – Rajesh Balkrishna Rathi and Ajay Balkrishna Rathi) | 0                  | 0.00         |
| <b>Total</b>  | <b>1,90,74,473</b> | <b>24.28</b> |

Notes:

<sup>#</sup>(i) Pradeep Ramwilas Rathi and his family members i.e., Subhadra Pradeep Rathi and Rahul Pradeep Rathi, and (ii) Anuj Narayandas Rathi has expressed his and his family members i.e., Narayandas Jagannath Rathi, Archana Anuj Rathi, Anuj Narayandas Rathi (HUF) and NJR Finance Private Limited, has expressed intention of no longer continuing to act as part of the Promoter and Promoter Group of PAC-1 and to not participate directly or indirectly, in the management and operations of PAC-1 in order to mitigate any potential liability on them and their family members.

<sup>\*</sup>Pursuant to Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”), and upon receipt of requests from these members of the Promoter Group and based on the approval accorded by the Board of Directors, PAC-1 has submitted an application with the Stock Exchanges on February 19, 2025, for seeking No-Objection from the Stock Exchanges relating to Reclassification of shareholding held by 1) Narayandas Jagannath Rathi; 2) Anuj Narayandas Rathi; 3) Anuj Narayandas Rathi (HUF) (Karta - Anuj Narayandas Rathi); 4) Archana Anuj Rathi; and 5) NJR Finance Private Limited, from ‘Promoter / Promoter Group’ category to ‘Public’ category which shall be subject to approval of shareholders of the PAC-1.

4.2.16. PAC-1 is in compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Company Secretary and Compliance Officer of PAC-1 is Mr. Mandar Velankar (Email: mmvelankar@sudarshan.com). The Closing Market Price of the Equity Shares of PAC-1 as on March 17, 2025, on the Stock Exchanges is set out below:

| Stock Exchange | Closing Market Price as on March 17, 2025<br>(in INR) |
|----------------|---|
| BSE            | 956.00  |
| NSE            | 954.55  |

4.2.17. The board of directors of PAC-1 comprises the following members:

| <b>Name</b>   | <b>Director Identification Number</b> | <b>Date of Appointment / Re-appointment</b> | <b>Qualification and Experience</b>  |
|---|---------------------------------------|---|--|
| Pradeep Ramwilas Rathi<br>Non-Executive and Non-Independent Director and Chairman | 00018577                              | August 02, 2024                             | Pradeep Ramwilas Rathi is a Non-Executive Director and Chairman on the Board of PAC-1. He is also one of the Promoters of our Company. He has been on the Board of PAC-1 since November 8, 1995. Further, he has been the Non-Executive Director and Chairman since June 1, 2018. He is also a member of the Corporate Social Responsibility Committee.                              |
| Rajesh Balkrishna Rathi<br>Managing Director                                      | 00018628                              | June 01, 2023                               | Rajesh Balkrishna Rathi is a Managing Director on the Board of PAC-1. He is also one of the Promoters of our Company. He has been on the Board of PAC-1 since May 23, 2008. Further, he has been the Managing Director since June 1, 2018. He is also a member of the Stakeholder's Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. |
| Ashish Vij<br>Wholetime Director  | 08140194                              | May 24, 2023                                | Ashish Vij is a Whole-time Director on the Board of PAC-1. He has been on the Board since May 24, 2018, as Whole-time Director. He is also a member of the Risk Management Committee and Stakeholders' Relationship Committee.   |
| Naresh Raisinghani<br>Non-Executive and Independent Director                      | 00568298                              | May 24, 2023                                | Naresh T. Raisinghani is an Independent Director on the Board of PAC-1. He has been on the Board since February 13, 2015, as Non-Executive and Non-Independent Director. Further he has been the Independent Director since May 24, 2018. He is also a member of the Audit Committee, Nomination and Remuneration Committee and Risk Management Committee.                           |
| Shubhalakshmi Panse   | 02599310                              | August 08, 2020                             | Shubhalakshmi Panse is an Independent Director on the Board of PAC-1. She has been   |



|  |          |                 |   |
|--|----------|-----------------|---|
| Non-Executive and Independent Director                   |          |                 | on the Board since May 27, 2015. She is also a member of the Risk Management Committee.   |
| Bhumika Batra<br>Non-Executive and Independent Director  | 03502004 | August 02, 2024 | Bhumika Batra is an Independent Director on the Board of PAC-1. She has been on the Board since August 2, 2024. She is also a member of the Audit Committee, Nomination and Remuneration Committee and Chairperson of Stakeholder's Relationship Committee and Risk Management Committee. |
| Anu Wakhlu<br>Non-Executive and Independent Director     | 00122052 | August 02, 2024 | Anu Arun Wakhlu is an Independent Director on the Board of PAC-1. She has been on the Board since August 2, 2024. She is also the Chairperson of the Nomination and Remuneration Committee and Corporate Social Responsibility Committee.   |
| Sudha Navandar<br>Non-Executive and Independent Director | 02804964 | August 02, 2024 | Sudha Pravin Navandar is an Independent Director on the Board of PAC-1. She has been on the Board since August 2, 2024. She is also the Chairperson of the Audit Committee.   |

4.2.18. The key financial information of the PAC -1 as extracted from its consolidated audited financial statements as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 audited by the Statutory Auditors and the unaudited consolidated financial results for the nine months period ended December 31, 2024, which have been subject to limited review by the Statutory Auditors is as follows:

*(₹ in Lakhs, unless otherwise stated)*

| <b>PROFIT AND LOSS STATEMENT (CONSOLIDATED)</b> |   |  |  |  |
|---|---|--|--|--|
| <b>Particulars</b>                              | <b>For nine months period ended December 31, 2024</b> | <b>For the year ended March 31, 2024</b> | <b>For the year ended March 31, 2023</b> | <b>For the year ended March 31, 2022</b> |
| Revenue from operations                         | 1,99,613.6  | 2,53,877.7                               | 2,30,173.2                               | 2,20,080.6                               |
| Other income                                    | 1,296.6   | 1,708.6                                  | 479.0                                    | 500.2                                    |
| <b>Total income</b>                             | <b>2,00,910.2</b>                                     | <b>2,55,586.3</b>                        | <b>2,30,652.2</b>                        | <b>2,20,580.8</b>                        |

|   |            |            |            |            |
|---|------------|------------|------------|------------|
| Total expenses                          | 1,87,851.1 | 2,40,043.4 | 2,24,678.3 | 2,03,468.6 |
| Profit before exceptional items and tax | 13,059.1   | 15,542.9   | 5,973.9    | 17,112.2   |
| Exceptional Items                       | -4,198.3   | 31,510.1   | 0.0        | 0.0        |
| Profit before tax                       | 8,860.8    | 47,053.0   | 5,973.9    | 17,112.2   |
| Total tax expense                       | 2,875.6    | 11,308.3   | 1,497.0    | 4,115.6    |
| Profit for the year / period            | 5,985.2    | 35,744.7   | 4,476.9    | 12,996.6   |

**BALANCE SHEET (CONSOLIDATED)**

| Particulars                   | For nine months period ended December 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Sources of Funds</b>       |  |                                   |                                   |                                   |
| Equity share capital          | 1,384.5  | 1,384.5                           | 1,384.5                           | 1,384.5                           |
| Other equity                  | Not Applicable                                 | 1,13,519.2                        | 81,437.9                          | 81,934.4                          |
| Total equity                  | 1,23,702.8                                     | 1,14,903.7                        | 82,822.4                          | 83,318.9                          |
| Total Non-current liabilities | Not Applicable                                 | 34,350.1                          | 57,046.4                          | 47,194.3                          |
| Total Current liabilities     | Not Applicable                                 | 86,249.4                          | 99,329.7                          | 1,06,357.8                        |
| Total equity and liabilities  | Not Applicable                                 | 2,35,503.2                        | 2,39,198.5                        | 2,36,871.0                        |
| <b>Uses of funds</b>          |  |                                   |                                   |                                   |
| Non-current assets            | Not Applicable                                 | 1,16,175.2                        | 1,22,711.5                        | 1,16,358.4                        |
| Current assets                | Not Applicable                                 | 1,19,328.0                        | 1,13,641.5                        | 1,20,512.6                        |
| Assets held for sale          | Not Applicable                                 | 0.0                               | 2,845.5                           | 0.0                               |
| Total assets                  | Not Applicable                                 | 2,35,503.2                        | 2,39,198.5                        | 2,36,871.0                        |

**OTHER FINANCIAL DATA (CONSOLIDATED)**

| Particulars                  | For nine months period ended December 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Dividend Per Share - Interim | 0.0  | 3.6                               | 0.0                               | 0.0                               |

|   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
| Dividend Per Share - Final  | 1.0 <sup>a)</sup> | 1.5 <sup>b)</sup> | 5.0 <sup>c)</sup> | 6.0 <sup>d)</sup> |
| <b>Earnings per equity share</b>  |                   |                   |                   |                   |
| Basic   | 8.6*              | 51.6              | 6.5               | 18.8              |
| Diluted   | 8.6*              | 51.6              | 6.5               | 18.7              |
| Return on Net Worth (%) – PAT/Net Worth or shareholder’s funds                        | 4.8%              | 31.1%             | 5.4%              | 15.6%             |
| Book Value per Equity Share - Net Worth or shareholder’s funds / No. of equity shares | 178.7             | 165.9             | 119.6             | 120.3             |

\* Not Annualised.

a) pertaining to financial year 2023-2024

b) pertaining to financial year 2022-2023

c) pertaining to financial year 2021-2022

d) pertaining to financial year 2020-2021

**Notes:**

(1) Extracted from consolidated unaudited limited reviewed financial results for the nine months ended December 31, 2024, as disclosed to the Stock Exchanges.

(2) Extracted from the audited consolidated financial statements forming part of annual report for the year ended March 31, 2024.

(3) Extracted from the audited consolidated financial statements forming part of annual report for the year ended March 31, 2023.

(4) Extracted from the audited consolidated financial statements forming part of annual report for the year ended March 31, 2022.

(5) Abbreviations used in the table above are as per the consolidated audited financial statements of the PAC-1 for each of the three financial years i.e. for the year ended March 31, 2024, for the year ended March 31, 2023, and for the year ended March 31, 2022.

(6) Return on Net worth = Profit for the year or period / Total equity

(7) Book value per share = Total equity / Number of equity shares

4.2.19. The contingent liabilities, commitments and guarantees of the PAC-1 as on March 31, 2024, as extracted from the PAC-1’s audited consolidated financial statements as on and for the financial year ended March 31, 2024, are set out below:

**CONTINGENT LIABILITIES (ON CONSOLIDATED BASIS)**

(₹ in Lakhs, unless otherwise stated)

| Sr. No.      | Particulars   | For the Year ended March 31, 2024 |
|--------------|---|-----------------------------------|
| 1.           | Excise duty Service tax demands - matters under dispute | 507.1                             |
| 2.           | GST / VAT / CST demands - matters under dispute         | 2,360.3                           |
| 3.           | Custom duty demands - matters under dispute             | 330.4                             |
| 4.           | Direct Tax demands - matters under dispute              | 370.0                             |
| 5.           | Electricity duty on Power Generation                    | 2,810.4                           |
| <b>Total</b> |   | <b>6,378.2</b>                    |

**COMMITMENTS (ON CONSOLIDATED BASIS)***(₹ in Lakhs, unless otherwise stated)*

| Sr. No.      | Particulars   | For the Year ended March 31, 2024 |
|--------------|---|-----------------------------------|
| 1.           | The unexecuted value of capital purchase orders issued to vendors | 646.4                             |
| <b>Total</b> |   | 646.4                             |

**GUARANTEES (ON CONSOLIDATED BASIS)***(₹ in Lakhs, unless otherwise stated)*

| Sr. No.      | Particulars  | For the Year ended March 31, 2024 |
|--------------|--|-----------------------------------|
| 1.           | Guarantees excluding financial guarantees – Guarantees to Maharashtra Pollution Control Board, Maharashtra State Electricity Distribution Company Limited, Custom Authorities and other regulatory authorities | 729.8                             |
| 2.           | Performance guarantees – Performance Bank Guarantees issued by RIECO Industries Limited, Wholly Owned Subsidiary of PAC-1 to its customers   | 3,278.9                           |
| <b>Total</b> |  | 4,008.7                           |

4.2.20. The key financial information of the PAC -1 as extracted from its standalone audited financial statements as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 audited by the Statutory Auditors and the unaudited standalone financial results for the nine months period ended December 31, 2024, which have been subject to limited review by the Statutory Auditors is as follows:

*(₹ in Lakhs, unless otherwise stated)*

| <b>PROFIT AND LOSS STATEMENT (STANDALONE)</b> |  |                                   |                                   |                                   |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|
| Particulars                                   | For nine months period ended December 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
| Revenue from operations                       | 1,83,035.8                                     | 2,14,142.9                        | 1,97,610.5                        | 1,91,891.1                        |
| Other income                                  | 1,307.3  | 1,739.4                           | 415.0                             | 838.2                             |
| Total income                                  | 1,84,343.1                                     | 2,15,882.3                        | 1,98,025.5                        | 1,92,729.3                        |
| Total expenses                                | 1,67,470.3                                     | 2,03,191.8                        | 1,94,242.8                        | 1,78,983.5                        |
| Profit before exceptional items and tax       | 16,872.8                                       | 12,690.5                          | 3,782.7                           | 13,745.8                          |

|  |   |  |  |  |
|--|---|--|--|--|
| Exceptional Items                        | -856.2  | 31,166.0                                 | 0.0                                      | 0.0                                      |
| Profit before tax                        | 16,016.6  | 43,856.5                                 | 3,782.7                                  | 13,745.8                                 |
| Total tax expense                        | 4,160.3   | 10,344.1                                 | 641.7                                    | 3,708.2                                  |
| Profit for the year / period             | 11,856.3  | 33,512.4                                 | 3,141.0                                  | 10,037.6                                 |
| <b>BALANCE SHEET (STANDALONE)</b>        |   |  |  |  |
| <b>Particulars</b>                       | <b>For nine months period ended December 31, 2024</b> | <b>For the year ended March 31, 2024</b> | <b>For the year ended March 31, 2023</b> | <b>For the year ended March 31, 2022</b> |
| <b>Sources of Funds</b>                  |   |  |  |  |
| Equity share capital                     | 1,384.5   | 1,384.5                                  | 1,384.5                                  | 1,384.5                                  |
| Other equity                             | Not Applicable  | 1,09,264.3                               | 79,426.3                                 | 81,840.7                                 |
| Total equity                             | 1,25,221.1  | 1,10,648.8                               | 80,810.8                                 | 83,225.2                                 |
| Total Non-current liabilities            | Not Applicable  | 32,000.9                                 | 55,020.1                                 | 45,423.5                                 |
| Total Current liabilities                | Not Applicable  | 66,787.7                                 | 78,958.1                                 | 93,303.1                                 |
| Total equity and liabilities             | Not Applicable  | 2,09,437.4                               | 2,14,789.0                               | 2,21,951.8                               |
| <b>Uses of funds</b>                     |   |  |  |  |
| Non-current assets                       | Not Applicable  | 1,16,017.2                               | 1,23,925.6                               | 1,18,391.4                               |
| Current assets                           | Not Applicable  | 93,420.2                                 | 88,017.9                                 | 1,03,560.4                               |
| Assets held for sale                     | Not Applicable  | 0.0                                      | 2,845.5                                  | 0.0                                      |
| Total assets                             | Not Applicable  | 2,09,437.4                               | 2,14,789.0                               | 2,21,951.8                               |
| <b>OTHER FINANCIAL DATA (STANDALONE)</b> |   |  |  |  |
| <b>Particulars</b>                       | <b>For nine months period ended December 31, 2024</b> | <b>For the year ended March 31, 2024</b> | <b>For the year ended March 31, 2023</b> | <b>For the year ended March 31, 2022</b> |
| Dividend Per Share - Interim             | 0.0   | 3.6                                      | 0.0                                      | 0.0                                      |
| Dividend Per Share - Final               | 1.0 <sup>a)</sup>                                     | 1.5 <sup>b)</sup>                        | 5.0 <sup>c)</sup>                        | 6.0 <sup>d)</sup>                        |
| Earnings per equity share                |   |  |  |  |
| Basic                                    | 17.1*   | 48.4                                     | 4.5                                      | 14.5                                     |
| Diluted                                  | 17.1*   | 48.3                                     | 4.5                                      | 14.5                                     |

|   |       |       |       |       |
|---|-------|-------|-------|-------|
| Return on Net Worth (%) – PAT/Net Worth or shareholder’s funds                        | 9.5%  | 30.3% | 3.9%  | 12.1% |
| Book Value per Equity Share - Net Worth or shareholder’s funds / No. of equity shares | 180.8 | 159.8 | 116.7 | 120.2 |

**\*Not Annualised**

- a) pertaining to financial year 2023-2024
- b) pertaining to financial year 2022-2023
- c) pertaining to financial year 2021-2022
- d) pertaining to financial year 2020-2021

**Notes:**

- (1) Extracted from standalone unaudited limited reviewed financial results for the nine months ended December 31, 2024, as disclosed to the Stock Exchanges.
- (2) Extracted from the audited standalone financial statements forming part of annual report for the year ended March 31, 2024.
- (3) Extracted from the audited standalone financial statements forming part of annual report for the year ended March 31, 2023.
- (4) Extracted from the audited standalone financial statements forming part of annual report for the year ended March 31, 2022.
- (5) Abbreviations used in the table above are as per the standalone audited financial statements of the PAC-1 for each of the three financial years i.e. for the year ended March 31, 2024, for the year ended March 31, 2023, and for the year ended March 31, 2022.
- (6) Return on Net worth = Profit for the year or period / Total equity
- (7) Book value per share = Total equity / Number of equity shares

4.2.21. The contingent liabilities, commitments and guarantees of the PAC-1 as on March 31, 2024, as extracted from the PAC-1’s audited standalone financial statements as on and for the financial year ended March 31, 2024, are set out below:

**CONTINGENT LIABILITIES (ON STANDALONE BASIS)**

(₹ in Lakhs, unless otherwise stated)

| Sr. No.      | Particulars   | For the Year ended March 31, 2024 |
|--------------|---|-----------------------------------|
| 1.           | Excise duty Service tax demands - matters under dispute | 507.1                             |
| 2.           | GST / VAT / CST demands - matters under dispute         | 2,275.5                           |
| 3.           | Custom duty demands - matters under dispute             | 330.4                             |
| 4.           | Direct Tax demands - matters under dispute              | 331.9                             |
| 5.           | Electricity duty on Power Generation                    | 2,810.4                           |
| <b>Total</b> |   | <b>6,255.3</b>                    |

**COMMITMENTS (ON STANDALONE BASIS)***(₹ in Lakhs, unless otherwise stated)*

| Sr. No.      | Particulars   | For the Year ended March 31, 2024 |
|--------------|---|-----------------------------------|
| 1.           | The unexecuted value of capital purchase orders issued to vendors | 615.7                             |
| <b>Total</b> |   | 615.7                             |

**GUARANTEES (ON STANDALONE BASIS)***(₹ in Lakhs, unless otherwise stated)*

| Sr. No.      | Particulars  | For the Year ended March 31, 2024 |
|--------------|--|-----------------------------------|
| 1.           | Corporate Guarantees – issued to Sudarshan Europe B.V. (Acquirer) and RIECO Industries Limited, Wholly Owned Subsidiary of PAC-1   | 17,992.2                          |
| 2.           | Guarantees excluding financial guarantees – Guarantees to Maharashtra Pollution Control Board, Maharashtra State Electricity Distribution Company Limited, Custom Authorities and other regulatory authorities | 729.8                             |
| <b>Total</b> |  | 18,722.0                          |

**4.3. Details of the PAC-2**

- 4.3.1. As on the date of this DLOF, the Acquirer is a holding company of Heubach Holding Switzerland AG and as a result, the Acquirer indirectly holds 36.56% of the shareholding in the Target Company through PAC-2. Accordingly, as per SEBI (SAST) Regulations, Heubach Holding Switzerland AG is being termed as PAC-2.
- 4.3.2. PAC-2 is a corporation which was originally incorporated as “Clariant One AG” (Clariant One SA; Clariant One Ltd) on October 31, 2018, under the laws of Switzerland. The name of the Company was subsequently changed to “Colorants International AG (Colorants International Ltd)” on January 17, 2019; and to “Heubach Holding Switzerland AG (Heubach Holding Switzerland Ltd)” on September 28, 2022. Since then, there has been no change in the name of PAC-2. It is registered with the Commercial Register, Basel Landschaft, Switzerland under registration number CHE-402.794.086. Registered office of PAC-2 is situated at Hardstrasse 1, 4133 Pratteln, Switzerland.
- 4.3.3. The business of PAC-2 is to acquire, hold, manage, sell, trade and finance investments in other companies. The purpose is further to sale chemical and other related products, in particular colorants and pigments, in Switzerland and abroad, and to rendering of related services.
- 4.3.4. Subsequent to the completion of acquisition of Global Pigment Business Operations of Heubach Group, PAC-2 belongs to Sudarshan Chemical Group as the Acquirer is holding the entire shareholding of PAC-3 which was earlier held by PAC-2, which has resulted in indirect acquisition of 17.80% Voting Share Capital of the Target Company by the Acquirer. However, PAC-2 and PAC-3 have become wholly owned subsidiaries

of the Acquirer, and hence, the Acquirer is indirectly holding 54.36% of the Voting Share Capital of the Target Company.

- 4.3.5. As on date of filing the DLOF, the share capital of PAC-2 is CHF 30'000'000.00 comprising of 30,000 registered shares of CHF 1,000.00.
- 4.3.6. As on the date of this DLOF, PAC-2 is 100% owned by the Acquirer and therefore, the Promoter of PAC-2 is the Acquirer. The shareholding pattern of PAC-2 is as follows:

| <b>Sr. No.</b> | <b>Shareholder's Category</b>                | <b>Number Of Shares</b> | <b>% Of Shares Held</b> |
|----------------|--|-------------------------|-------------------------|
| 1              | Promoter – Sudarshan Europe B.V. (Acquirer)* | 30,000                  | 100%                    |

*\*PAC-2 is a wholly-owned subsidiary of Sudarshan Europe B.V. i.e. Acquirer.*

- 4.3.7. The Corporate Governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, do not apply to PAC-2, as it is an entity incorporated outside India. Under Swiss regulations, there is no obligation for the PAC-2 to appoint a Compliance Officer. Furthermore, since the PAC-2's equity shares are not listed on any stock exchange in India or any other jurisdiction, information regarding their closing market price is not applicable.
- 4.3.8. None of the Promoter(s), Directors and Key Managerial Personnel of PAC-2 are on the Board of the Target Company.
- 4.3.9. PAC-2 has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("SEBI Act") or under any other regulation made under the SEBI Act.
- 4.3.10. PAC-2 has not been categorized or declared as (i) "wilful defaulter" by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, in terms of Regulation 2(1) (ze) of the SEBI (SAST) Regulations.
- 4.3.11. None of the Directors or key managerial personnel of the PAC-2 have been categorized as a "fugitive economic offender" under Section 12 of Fugitive Economic Offender Act, 2018, in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.
- 4.3.12. There are no statutory approvals / regulatory actions / administrative warnings / directions subsisting or proceedings pending against PAC – 2 under the SEBI Act and regulations made there under, and by any other regulator.
- 4.3.13. PAC – 2 confirms that there are no pending litigations pertaining to the securities market where it is made party to as on date of this DLOF.
- 4.3.14. PAC-2 is the Promoter of the Target Company. As on the date of this DLOF, PAC-2 holds 36.56% of the Voting Share Capital in the Target Company, comprising of 84,39,385 fully paid-up Equity Shares of face value of INR 2 (Indian Rupees Two Only) each.



4.3.15. The board of directors of PAC-2 comprises the following members:

| Name               | Director Identification Number          | Date of Appointment / Re-appointment | Qualification and Experience  |
|--------------------|---|--------------------------------------|---|
| Marc Seidenspinner | Not Applicable as per Swiss Regulations | September 23, 2023                   | Mr. Marc Seidenspinner has more than 25 years of experience of handling various positions in Finance.                                       |
| Stefan Wiedemann   | Not Applicable as per Swiss Regulations | September 23, 2023                   | Mr. Stefan Wiedemann has 20 years of experience in the pigment industry and he has handled various positions in R&D and product management. |

4.3.16. The key financial information of PAC-2 as extracted from its unaudited standalone financial statements for each of the three calendar years i.e., Calendar Year ended December 31, 2024, Calendar Year ended December 31, 2023, and Calendar Year ended December 31, 2022, is as follows:

| <b>PROFIT AND LOSS STATEMENT</b>             |   |                  |   |                  |   |                  |
|--|---|------------------|---|------------------|---|------------------|
| Particulars                                  | For the Calendar Year ended December 31, 2024 |                  | For the Calendar Year ended December 31, 2023 |                  | For the Calendar Year ended December 31, 2022 |                  |
|  | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) |
| Income from Operations                       | 1,36,278                                      | 12,847.9         | 1,82,995                                      | 18,110.4         | 2,56,860                                      | 22,995.6         |
| Other Income                                 | 4,125   | 388.9            | 0.0   | 0.0              | 1,09,664                                      | 9,817.8          |
| Total Income                                 | 1,40,403                                      | 13,236.8         | 1,82,995                                      | 18,110.4         | 3,66,524                                      | 32,813.4         |
| Total Expenditure                            | -1,54,460                                     | -14,562.1        | -2,69,146                                     | -26,636.5        | -3,12,807                                     | -28,004.3        |
| Profit Before Depreciation, Interest and Tax | -14,057                                       | -1,325.3         | -86,151                                       | -8,526.1         | 53,717  | 4,809.1          |
| Depreciation                                 | -7,174  | -676.3           | -7,355  | -727.9           | -11,254                                       | -1,007.5         |
| Interest                                     | -6,317  | -595.5           | -5,946  | -588.5           | -2,962  | -265.2           |
| Profit Before Tax                            | -27,548                                       | -2,597.2         | -99,453                                       | -9,842.5         | 39,501  | 3,536.4          |
| Provision for Tax                            | 0.0   | 0.0              | 0.0   | 0.0              | 0.0   | 0.0              |

| Profit After Tax                                      | -27,548                                       | -<br>2,597.2     | -99,453                                       | -<br>9,842.5     | 39,501  | 3,536.4          |
|---|---|------------------|---|------------------|---|------------------|
| <b>BALANCE SHEET</b>                                  |   |                  |   |                  |   |                  |
| Particulars   | For the Calendar Year ended December 31, 2024 |                  | For the Calendar Year ended December 31, 2023 |                  | For the Calendar Year ended December 31, 2022 |                  |
|   | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) |
| <i>Sources of Funds</i>                               |   |                  |   |                  |   |                  |
| Paid up share Capital                                 | 30,000  | 2,828.3          | 30,000  | 2,969.0          | 30,000  | 2,685.8          |
| Reserves and Surplus (excluding revaluation reserves) | 20,408  | 1,924.0          | 47,956  | 4,746.0          | 1,47,409                                      | 13,196.9         |
| Net worth (excluding revaluation reserves)            | 50,408  | 4,752.3          | 77,956  | 7,715.0          | 1,77,409                                      | 15,882.7         |
| Revaluation Reserves                                  | -44,174                                       | -4,164.6         | -48,473                                       | -4,797.2         | -8,927  | -799.2           |
| Other Liabilities                                     | 1,30,670                                      | 12,319.2         | 1,11,899                                      | 11,074.3         | 51,029  | 4,568.4          |
| Secured loans   | 0.0   | 0.0              | 0.0   | 0.0              | 0.0   | 0.0              |
| Unsecured Loans                                       | 5,00,456                                      | 47,181.6         | 4,29,142                                      | 42,470.8         | 3,34,918                                      | 29,983.8         |
| <b>Total</b>  | <b>6,37,360</b>                               | <b>60,088.6</b>  | <b>5,70,524</b>                               | <b>56,462.9</b>  | <b>5,54,429</b>                               | <b>49,635.8</b>  |
| <i>Uses of funds</i>                                  |   |                  |   |                  |   |                  |
| Net fixed assets                                      | 2,75,892                                      | 26,010.4         | 2,43,127                                      | 24,061.5         | 2,10,971                                      | 18,887.4         |
| Investments   | 2,01,956                                      | 19,039.9         | 2,02,035                                      | 19,994.7         | 2,07,048                                      | 18,536.2         |
| Net current assets                                    | 1,59,512                                      | 15,038.4         | 1,25,362                                      | 12,406.7         | 1,36,410                                      | 12,212.2         |
| Total miscellaneous expenditure not written off       | 0.0   | 0.0              | 0.0   | 0.0              | 0.0   | 0.0              |
| <b>Total</b>  | <b>6,37,360</b>                               | <b>60,088.6</b>  | <b>5,70,524</b>                               | <b>56,462.9</b>  | <b>5,54,429</b>                               | <b>49,635.8</b>  |
| <b>OTHER FINANCIAL DATA</b>                           |   |                  |   |                  |   |                  |

| Particulars  | For the Calendar Year ended December 31, 2024 |                  | For the Calendar Year ended December 31, 2023 |                  | For the Calendar Year ended December 31, 2022 |                  |
|--|---|------------------|---|------------------|---|------------------|
|  | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) |
| Dividend (%)   | Not Applicable                                | Not Applicable   | Not Applicable                                | Not Applicable   | Not Applicable                                | Not Applicable   |
| Earnings per share - Basic                                   | -0.92   | -0.09            | -3.32   | -0.33            | 1.32  | 0.12             |
| Earnings per share - Diluted                                 | -0.92   | -0.09            | -3.32   | -0.33            | 1.32  | 0.12             |
| Return on Net Worth (%) (excluding Revaluation Reserves)     | -54.65%                                       | -54.65%          | -127.57%                                      | -127.57%         | 22.27%  | 22.27%           |
| Book Value per Equity Share (excluding revaluation reserves) | 1,680.3                                       | 1,58,411.0       | 2,598.5                                       | 2,57,168.3       | 5,913.6                                       | 5,29,423.4       |

*Notes:*

1. Since the financial numbers are presented in Swiss Franc (CHF), the financial information has been converted to Indian National Rupees (INR) for the purpose of convenience. The conversion has been done at the rate 1 CHF = INR 94.2773 as on December 31, 2024; INR 98.9667 as on December 31, 2023; and INR 89.5259 as on December 31, 2022, for the Calendar Year ended December 31, 2024, Calendar Year ended December 31, 2023, and Calendar Year ended December 31, 2022, respectively. (Source: - <https://www.exchangerates.org.uk>)
2. In the table above, figures of Net Worth are mentioned after excluding Revaluation Reserves for the Calendar Year ended December 31, 2024, Calendar Year ended December 31, 2023, and Calendar Year ended December 31, 2022.
3. The figures of Net Worth after including Revaluation Reserves are (CHF in thousands): for the Calendar Year ended December 31, 2024 – 6,234, for the Calendar Year ended December 31, 2023 – 29,483 and for the Calendar Year ended December 31, 2022 – 1,68,482.
4. On January 3, 2022, Clariant AG, the ultimate Holding Company of Clariant Group announced completion of sale of its pigment business to a consortium of Heubach Group and SK Capital Partners. Accordingly, Temporary Service Agreement (“TSA”) was executed between Clariant AG and PAC-2 whereby Clariant AG was responsible for preparing and maintaining the accounting information on behalf of PAC-2 for a period of one year. After the expiry of the TSA, due to administrative challenges in PAC 2, audit of PAC-2 for the Calendar Year 2022 and Calendar Year 2023 could not be completed within the Swiss regulatory timeline. Further, at the end of April 2024, Heubach Group GmbH, the erstwhile Holding Company of PAC-2 and a major supplier of PAC-2 i.e. Heubach Colorants Germany GmbH had filed for insolvency which raised concerns on the going concern assessment of PAC-2.

*These factors resulted in non-completion of audit of PAC-2 for the Calendar Year ended December 31, 2022, Calendar Year ended December 31, 2023, and Calendar Year ended December 31, 2024. Accordingly unaudited financial figures are mentioned in the table above.*

5. *Return on Net worth (excluding revaluation reserves) = Profit after Tax / Net Worth (excluding revaluation reserve)*
6. *Book value per share (excluding revaluation reserves) = Net Worth (excluding revaluation reserve) / Number of equity shares*
7. *As per the Standalone Financial Statements for the calendar year ended December 31, 2024, PAC-2 does not have any major contingent liabilities, commitments and guarantees.*

#### 4.4. **Details of the PAC-3**

- 4.4.1. As on the date of this DLOF, Acquirer is the holding company of Heubach Ebito Chemiebeteteiligungen AG and as a result, the Acquirer indirectly holds 17.80% of the shareholding in the Target Company, through PAC-3. Accordingly, as per SEBI (SAST) Regulations, Heubach Ebito Chemiebeteteiligungen AG is PAC-3.
- 4.4.2. PAC-3 is a corporation which was originally incorporated as EBITO Chemiebeteteiligungen AG under the laws of Switzerland on May 19, 2000. The name of the Company was subsequently changed to Heubach EBITO Chemiebeteteiligungen AG on September 13, 2022. Since then, there has been no change in the name of PAC-3. It is registered with the Commercial Register, Basel Landschaft, Switzerland under registration number CHE101.257.789 Registered office of PAC-3 is situated at Hardstrasse 1, 4133 Pratteln, Switzerland.
- 4.4.3. The business of PAC-3 is the acquisition, management and sale of participations in other enterprises and of intellectual property rights in the chemical sector. The company may perform financial transactions and acquire participations in other companies of any kind, establish and acquire such companies as well as merge with them. The company is entitled to acquire, mortgage, represent and sell real estate and intangible property rights at home and abroad.
- 4.4.4. Subsequent to the completion of the acquisition of Global Pigment Business Operations of Heubach Group, PAC-3 belongs to Sudarshan Chemical Group as the Acquirer is holding the entire shareholding of PAC-3 which was earlier held by PAC-2, which has resulted in indirect acquisition of 17.80% Voting Share Capital of the Target Company by the Acquirer. However, PAC-2 and PAC-3 have become wholly owned subsidiaries of the Acquirer, and hence, the Acquirer is indirectly holding 54.36% of the Voting Share Capital of the Target Company.
- 4.4.5. As on the date of this DLOF, equity shares of the PAC-3 are not listed on any Stock Exchanges in India or any other jurisdiction.
- 4.4.6. As on date of filing this DLOF, the share capital of PAC-3 is CHF 202'000.00 comprising of 202 registered shares of CHF 1'000.00.
- 4.4.7. As on the date of this DLOF, PAC-3 is 100% owned by the Acquirer and therefore, the Promoter of PAC-3 is the Acquirer. The shareholding pattern of PAC-3 is as follows:

| Sr. No. | Shareholder's Category                       | Number Of Shares | % Of Shares Held |
|---------|--|------------------|------------------|
| 1       | Promoter – Sudarshan Europe B.V. (Acquirer)* | 202              | 100%             |

*\*PAC-3 is a wholly-owned subsidiary of Sudarshan Europe B.V. i.e. Acquirer.*

- 4.4.8. The Corporate Governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, do not apply to PAC - 3, as it is an entity incorporated outside India. Under Swiss regulations, there is no obligation for the Acquirer to appoint a Compliance Officer. Furthermore, since PAC -3's equity shares are not listed on any stock exchange in India or any other jurisdiction, information regarding their closing market price is not applicable.
- 4.4.9. None of the Promoter(s), Directors and Key Managerial Personnel of PAC-3 are on the Board of the Target Company.
- 4.4.10. PAC-3 has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the Securities and Exchange Board of India Act, 1992, as amended ("SEBI Act") or under any other regulation made under the SEBI Act.
- 4.4.11. PAC-3 has not been categorized or declared as (i) "wilful defaulter" by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, in terms of Regulation 2(1) (ze) of the SEBI (SAST) Regulations.
- 4.4.12. None of the Directors or key managerial personnel of the PAC-3 have been categorized as a "fugitive economic offender" under Section 12 of Fugitive Economic Offender Act, 2018, in terms of Regulation 2(1)(ja) of the SEBI (SAST) Regulations.
- 4.4.13. PAC-3 is the Promoter of the Target Company. As on the date of this DLOF, PAC-3 holds 17.80% of the Voting Share Capital in the Target Company, comprising of 41,09,426 fully paid-up Equity Shares of face value of INR 2 (Indian Rupees Two Only) each.
- 4.4.14. There are no statutory approvals / regulatory actions / administrative warnings / directions subsisting or proceedings pending against PAC -3 under the SEBI Act and regulations made there under, and also by any other regulator.
- 4.4.15. PAC -3 confirms that there are no pending litigations pertaining to the securities market where it is made party to as on date of this DLOF.
- 4.4.16. The board of directors of PAC-3 comprises the following members:

| <b>Name</b>        | <b>Director Identification Number</b>   | <b>Date of Appointment / Re-appointment</b> | <b>Qualification and Experience</b>   |
|--------------------|---|---|---|
| Marc Seidenspinner | Not Applicable as per Swiss Regulations | September 23, 2023                          | Mr. Marc Seidenspinner has more than 25 years of experience of handling various positions in Finance.                                       |
| Stefan Wiedemann   | Not Applicable as per Swiss Regulations | September 23, 2023                          | Mr. Stefan Wiedemann has 20 years of experience in the pigment industry and he has handled various positions in R&D and product management. |

- 4.4.17. The key financial information of PAC-3 as extracted from its unaudited standalone financial statements for each of the three calendar years i.e., Calendar Year ended

December 31, 2024, Calendar Year ended December 31, 2023 and Calendar Year ended December 31, 2022 is as follows:

| <b>PROFIT AND LOSS STATEMENT</b>             |  |                         |  |                         |  |                         |
|--|--|-------------------------|--|-------------------------|--|-------------------------|
| <b>Particulars</b>                           | <b>For the Calendar Year ended December 31, 2024</b> |                         | <b>For the Calendar Year ended December 31, 2023</b> |                         | <b>For the Calendar Year ended December 31, 2022</b> |                         |
|  | <b>CHF (in thousands)</b>                            | <b>INR (in Million)</b> | <b>CHF (in thousands)</b>                            | <b>INR (in Million)</b> | <b>CHF (in thousands)</b>                            | <b>INR (in Million)</b> |
| Income from Operations                       | 0.0  | 0.0                     | 0.0  | 0.0                     | 0.0  | 0.0                     |
| Other Income                                 | 0.0  | 0.0                     | 7  | 0.7                     | 450  | 40.3                    |
| Total Income                                 | 0.0  | 0.0                     | 7  | 0.7                     | 450  | 40.3                    |
| Total Expenditure                            | -124   | -11.7                   | -487   | -48.2                   | -4   | -0.4                    |
| Profit Before Depreciation, Interest and Tax | -124   | -11.7                   | -480   | -47.5                   | 446  | 39.9                    |
| Depreciation                                 | 0.0  | 0.0                     | 0.0  | 0.0                     | 0.0  | 0.0                     |
| Interest                                     | -760   | -71.7                   | -757   | -74.9                   | -166   | -14.9                   |
| Profit Before Tax                            | -884   | -83.3                   | -1,238   | -122.5                  | 280  | 25.1                    |
| Provision for Tax                            | -21  | -2.0                    | 0.0  | 0.0                     | -102   | -9.1                    |
| Profit After Tax                             | -905   | -85.3                   | -1,238   | -122.5                  | 178  | 15.9                    |
| <b>BALANCE SHEET</b>                         |  |                         |  |                         |  |                         |
| <b>Particulars</b>                           | <b>For the Calendar Year ended December 31, 2024</b> |                         | <b>For the Calendar Year ended December 31, 2023</b> |                         | <b>For the Calendar Year ended December 31, 2022</b> |                         |
|  | <b>CHF (in thousands)</b>                            | <b>INR (in Million)</b> | <b>CHF (in thousands)</b>                            | <b>INR (in Million)</b> | <b>CHF (in thousands)</b>                            | <b>INR (in Million)</b> |
| <i>Sources of Funds</i>                      |  |                         |  |                         |  |                         |
| Paid up share Capital                        | 202  | 19.0                    | 202  | 20.0                    | 202  | 18.1                    |
| Reserves and Surplus (excluding              | 12,877   | 1,214.0                 | 13,783   | 1,364.1                 | 15,021   | 1,344.8                 |

| revaluation reserves)                           |   |                  |   |                  |   |                  |
|---|---|------------------|---|------------------|---|------------------|
| Net worth                                       | 13,079  | 1,233.1          | 13,985  | 1,384.0          | 15,223  | 1,362.9          |
| Other Liabilities                               | 1,428   | 134.6            | 867   | 85.8             | 1,044   | 93.5             |
| Secured loans                                   | 0.0   | 0.0              | 0.0   | 0.0              | 0.0   | 0.0              |
| Unsecured Loans                                 | 10,435  | 983.8            | 10,083  | 997.9            | 8,700   | 778.9            |
| <b>Total</b>                                    | <b>24,942</b>                                 | <b>2,351.5</b>   | <b>24,935</b>                                 | <b>2,467.7</b>   | <b>24,967</b>                                 | <b>2,235.2</b>   |
| <b><i>Uses of funds</i></b>                     |   |                  |   |                  |   |                  |
| Net fixed assets                                | 0.0   | 0.0              | 0.0   | 0.0              | 0.0   | 0.0              |
| Investments                                     | 24,832  | 2,341.1          | 24,832  | 2,457.5          | 24,832  | 2,223.1          |
| Net current assets                              | 110   | 10.4             | 103   | 10.2             | 135   | 12.1             |
| Total miscellaneous expenditure not written off | 0.0   | 0.0              | 0.0   | 0.0              | 0.0   | 0.0              |
| <b>Total</b>                                    | <b>24,942</b>                                 | <b>2,351.5</b>   | <b>24,935</b>                                 | <b>2,467.7</b>   | <b>24,967</b>                                 | <b>2,235.2</b>   |
| <b>OTHER FINANCIAL DATA</b>                     |   |                  |   |                  |   |                  |
| Particulars                                     | For the Calendar Year ended December 31, 2024 |                  | For the Calendar Year ended December 31, 2023 |                  | For the Calendar Year ended December 31, 2022 |                  |
|   | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) | CHF (in thousands)                            | INR (in Million) |
| Dividend (%)                                    | Not Applicable                                | Not Applicable   | Not Applicable                                | Not Applicable   | Not Applicable                                | Not Applicable   |
| Earnings per share - Basic                      | -4.48   | -0.42            | -6.13   | -0.61            | 0.88  | 0.08             |
| Earnings per share - Diluted                    | -4.48   | -0.42            | -6.13   | -0.61            | 0.88  | 0.08             |
| Return on Net Worth (%)                         | -6.92%  | -6.92%           | -8.85%  | -8.85%           | 1.17%   | 1.17%            |
| Book Value per Equity Share                     | 64,748  | 61,04,222        | 69,233  | 68,51,729        | 75,361  | 67,46,796        |

*Notes:*

1. *Since the financial numbers are presented in Swiss Franc (CHF), the financial information has been converted to Indian National Rupees (INR) for the purpose of convenience. The conversion has been done at the rate 1 CHF = INR 94.2773 as on December 31, 2024; INR 98.9667 as on December 31, 2023; and INR 89.5259 as on December 31, 2022, for the Calendar Year ended December 31, 2024, Calendar Year ended December 31, 2023, and Calendar Year ended December 31, 2022, respectively. (Source: - <https://www.exchangerates.org.uk>)*
2. *As per the applicable Swiss Regulations, PAC-3 is not meeting the statutory requirements to have an obligatory audit and therefore, is not required to have audited financial statements. Accordingly, unaudited financial figures are mentioned in the table above.*
3. *Return on Net worth = Profit after Tax / Net Worth*
4. *Book value per share = Net Worth / Number of equity shares*
5. *As per the Standalone Financial Statements for the calendar year ended December 31, 2024, PAC-3 does not have any major contingent liabilities, commitments and guarantees.*

5. **BACKGROUND OF THE TARGET COMPANY**

- 5.1. Heubach Colorants India Limited was incorporated on December 27, 1956, pursuant to certificate of incorporation issued by the Registrar of Companies, Mumbai (“ROC”) as a public limited company with the name Clariant Chemicals (India) Limited. Consequent to the change in ownership structure of the Target Company post-acquisition by SK Capital and Heubach Group, the Company changed its name from ‘Clariant Chemicals (India) Limited’ to ‘Heubach Colorants India Limited’ which was approved by the Registrar of Companies, Mumbai with effect from October 17, 2022.
- 5.2. The registered office of the Target Company is situated at Rupa Renaissance, B Wing, 25th Floor D-33, MIDC Road, TTC Industrial Area Juinagar, Navi Mumbai, Maharashtra – 400705. The Corporate Identification Number of the Target Company is L24110MH1956PLC010806.
- 5.3. The Equity Shares of the Target Company are listed on BSE Limited (Scrip Code:506390) and National Stock Exchange of India Limited (NSE Symbol: HEUBACHIND). The ISIN of the Equity Shares of the Target Company is INE492A01029.
- 5.4. The principal business activity of the Target Company is manufacturing and distribution of organic and inorganic pigments, pigment preparations, and dyes. The Target Company’s product range caters to industries such as decorative paints, automotive and powder coatings, plastics, printing inks, home and personal care, and agriculture.
- 5.5. The authorized share capital of the Target Company is 30,00,00,000 (Indian Rupees Thirty Crore) divided into 3,00,00,000/- (Three Crores) equity shares of face value of 10/- (Indian Rupees Ten) each. The issued, subscribed and fully paid-up equity share capital of the Target Company is 23,08,17,980 (Indian Rupees Twenty-Three Crore Eight Lakh Seventeen Thousand Nine Hundred and Eighty only) comprising of 2,30,81,798 equity shares of face value of Rs. 10/- (Indian Rupees Ten) each.
- 5.6. As on the date of this DLOF, there are no (i) partly paid-up equity shares; or (ii) outstanding convertible instruments (warrants/ fully convertible debentures / partially convertible debentures) issued by the Target Company.



- 5.7. The equity shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 5.8. The equity shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 5.9. The entire issued, subscribed and paid-up equity share capital of the Target Company is listed on the Stock Exchanges and has not been suspended from trading from any of the Stock Exchanges. The Equity Shares of the Target Company have not been delisted from any stock exchange in India.
- 5.10. As on the date of this Draft Letter of Offer, the composition of the board of directors of the Target company is as follows:

| <b>Sr. No.</b> | <b>Name of the Director</b> | <b>Designation</b>                                  | <b>DIN</b> | <b>Date of Appointment</b> |
|----------------|-----------------------------|---|------------|----------------------------|
| 1              | Ravi Kapoor                 | Non-Executive-Non Independent Director, Chairperson | 01761752   | November 29, 2023          |
| 2              | Kewal Handa                 | Non-Executive - Independent Director                | 00056826   | November 05, 2015          |
| 3              | Sunirmal Talukdar           | Non-Executive - Independent Director                | 00920608   | November 05, 2015          |
| 4              | Diana Dhote                 | Non-Executive - Independent Director                | 10558367   | April 01, 2024             |
| 5              | Jugal Sahu                  | Executive Director                                  | 02629782   | February 03, 2023          |
| 6              | Sambit Roy                  | Managing Director                                   | 08291664   | November 25, 2024          |

- 5.11. None of the directors of the Acquirer are on the board of directors of the Target Company. The Acquirer has not nominated any director on the board of director of the Target Company. Neither PACs is on the board of directors of the Target Company, nor it has nominated any director on the board of director of the Target Company.
- 5.12. During the last 3 years, the Target Company has not undertaken any activities with respect to a scheme of amalgamation, restructuring, merger/demerger and spin off.
- 5.13. The key financial information of the Target Company is as below. This is based on the standalone audited financial statements, as at and for the year ended March 31, 2024, for the year ended March 31, 2023 and for the year ended March 31, 2022 audited by the statutory auditors of the Target Company and the standalone unaudited financials as at and for the nine months period ended December 31, 2024 which have been subject to limited review by the statutory auditors of the Target Company.

(Amounts are Rs. in Lakhs unless otherwise stated)

| <b>PROFIT AND LOSS STATEMENT</b>                        |   |  |  |  |
|---|---|--|--|--|
| <b>Particulars</b>                                      | <b>For nine months period ended December 31, 2024</b> | <b>For the year ended March 31, 2024</b> | <b>For the year ended March 31, 2023</b> | <b>For the year ended March 31, 2022</b> |
| Income from operations                                  | 60,477  | 79,070                                   | 76,642                                   | 83,951                                   |
| Other income  | 932   | 872                                      | 542                                      | 867                                      |
| <b>Total income</b>                                     | <b>61,409</b>   | <b>79,942</b>                            | <b>77,184</b>                            | <b>84,818</b>                            |
| Total expenditure                                       | 55,874  | 74,343                                   | 72,557                                   | 79,868                                   |
| Profit Before depreciation, interest and Tax            | 7,330   | 8,080                                    | 6,690                                    | 7,032                                    |
| Depreciation  | 1,598   | 2,261                                    | 2,040                                    | 2,035                                    |
| Interest  | 196   | 219                                      | 23                                       | 47                                       |
| Profit Before Tax (Before Exceptional Items)            | 5,536   | 5,600                                    | 4,627                                    | 4,950                                    |
| Exceptional Items                                       | 0.0   | 0.0                                      | 630                                      | 0.0                                      |
| Profit Before Tax (After Exceptional Items)             | 5,536   | 5,600                                    | 3,996                                    | 4,950                                    |
| Provision for Tax                                       | 1,456   | 1,486                                    | 2,079                                    | 618                                      |
| <b>Profit after tax</b>                                 | <b>4,080</b>  | <b>4,114</b>                             | <b>1,918</b>                             | <b>4,331</b>                             |
| <b>BALANCE SHEET</b>                                    |   |  |  |  |
| <b>Particulars</b>                                      | <b>For nine months period ended December 31, 2024</b> | <b>For the year ended March 31, 2024</b> | <b>For the year ended March 31, 2023</b> | <b>For the year ended March 31, 2022</b> |
| <b>Sources of funds</b>                                 |   |  |  |  |
| Paid up share capital                                   | 2,308   | 2,308                                    | 2,308                                    | 2,308                                    |
| Reserves and surpluses (excluding revaluation reserves) | 48,892  | 44,936                                   | 40,934                                   | 39,078                                   |
| <b>Net worth</b>  | <b>51,200</b>   | <b>47,244</b>                            | <b>43,242</b>                            | <b>41,386</b>                            |
| Secured loans   | 0.0   | 0.0                                      | 0.0                                      | 0.0                                      |
| Unsecured loans   | 0.0   | 0.0                                      | 0.0                                      | 0.0                                      |
| Non-Current Liabilities                                 | 3,849   | 3,818                                    | 1,302                                    | 1,328                                    |
| <b>Total</b>  | <b>55,049</b>   | <b>51,062</b>                            | <b>44,544</b>                            | <b>42,714</b>                            |
| <b>Uses of funds</b>                                    |   |  |  |  |
| Net fixed assets  | 16,676  | 17,597                                   | 15,376                                   | 15,788                                   |

| Investments                  | 423   | 423                                      | 300                                      | 0  |
|------------------------------|---|--|--|--|
| Net current assets           | 33,212  | 26,411                                   | 23,068                                   | 19,721                                   |
| Other Non-Current Assets     | 4,738   | 6,631                                    | 5,800                                    | 7,205                                    |
| <b>Total</b>                 | <b>55,049</b>   | <b>51,062</b>                            | <b>44,544</b>                            | <b>42,714</b>                            |
| <b>OTHER FINANCIAL DATA</b>  |   |  |  |  |
| <b>Particulars</b>           | <b>For nine months period ended December 31, 2024</b> | <b>For the year ended March 31, 2024</b> | <b>For the year ended March 31, 2023</b> | <b>For the year ended March 31, 2022</b> |
| <b>Dividend (%)</b>          | Not Applicable  | Not Applicable                           | Not Applicable                           | Not Applicable                           |
| Earnings per Share – Basic   | 17.67   | 17.82                                    | 8.31                                     | 18.77                                    |
| Earnings per Share – Diluted | 17.67   | 17.82                                    | 8.31                                     | 18.77                                    |
| Return on Net Worth (%)      | 7.97%   | 8.71%                                    | 4.44%                                    | 10.47%                                   |
| Book Value per Equity Share  | 221.8   | 204.7                                    | 187.3                                    | 179.3                                    |

Notes:

(1) Extracted from unaudited limited reviewed financial results for the nine months ended December 31, 2024, as disclosed to the Stock Exchanges.

(2) Extracted from the audited financial statements forming part of annual report for the year ended March 31, 2024.

(3) Extracted from the audited financial statements forming part of annual report for the year ended March 31, 2023.

(4) Extracted from the audited financial statements forming part of annual report for the year ended March 31, 2022.

(5) Abbreviations used in the table above are as per the standalone audited financial statements of the Target Company for the year ended March 31, 2024.

(6) Return on Net worth = Profit after Tax / Net Worth

(7) Book value per share = Net Worth / Number of equity shares

#### CONTINGENT LIABILITIES, COMMITMENTS AND GUARANTEES

(Amount Rs. In Lakhs)

| <b>Particulars</b>   | <b>For the year ended March 31, 2024</b> |
|--|--|
| <b>(a) Contingent liabilities:</b>   |  |
| (i) in respect of income tax matters   | Nil                                      |
| (ii) in respect of sales tax / VAT matters   | 1,108.19                                 |
| (iii) in respect of excise / service tax matters   | 3,666.48                                 |
| (iv) Other matters in dispute  | 152.45                                   |
| <b>(b) Commitments</b>   |  |
| (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) | 204.03                                   |
| <b>(c) Guarantees</b>  | Nil                                      |
| <b>Total</b>   | <b>5,131.15</b>                          |

5.14. The shareholding pattern of the Target Company pre-Offer as on December 31, 2024 (as disclosed to the Stock Exchanges) and post-Offer is as follows:

| Shareholders<br>,<br>category                                  | Shareholding<br>& voting rights<br>prior to the<br>agreement/<br>acquisition and<br>offer. |       | Shares<br>/voting<br>rights<br>agreed<br>to be<br>acquired<br>which<br>triggered<br>off<br>the<br>Regulations |      | Shares/voting<br>rights to be<br>acquired in<br>open offer<br>(Assuming full<br>acceptance s) |       | Share<br>holding /<br>voting rights<br>after the<br>acquisition<br>and offer. |        |
|--|--|-------|---|------|---|-------|---|--------|
|  | (A)  |       | (B)   |      | (C)   |       | (A)+(B)+(C)<br>=(D)   |        |
|  | Nos.   | %     | Nos   | %    | Nos.  | %     | Nos.  | %      |
| a. Parties to agreement, if any                                | 0  | 0.00  | 0   | 0.00 | 0   | 0.00  | 0   | 0.00   |
| b. Promoters other than (a) above (PAC-2 and PAC-3)            | 1,25,48,811  | 54.36 | 0   | 0.00 | 0   | 0.00  | 1,25,48,811   | 54.36  |
| Total 1(a+b)   | 1,25,48,811  | 54.36 | 0   | 0.00 | 0   | 0.00  | 1,25,48,811   | 54.36  |
| <b>(2) Acquirers</b>   |  |       |   |      |   |       |   |        |
| a. Acquirer  | 0  | 0.00  | 0   | 0.00 | 60,01,268   | 26.00 | 60,01,268   | 26.00  |
| <b>b. PACs</b>   |  |       |   |      |   |       |   |        |
| PAC-1  | 0  | 0.00  | 0   | 0.00 | 0   | 0.00  | 0   | 0.00   |
| PAC-2  | 0  | 0     | 0   | 0.00 | 0   | 0.00  | as covered in pt 1<br>(b)   |        |
| PAC-3  | 0  | 0     | 0   | 0.00 | 0   | 0.00  |   |        |
| Total 2(a+b)   | 1,25,48,811  | 54.36 | 0   | 0.00 | 60,01,268   | 26.00 | 1,85,50,079*  | 80.36* |
| Total (1+2)  | 1,25,48,811  | 54.36 | 0   | 0.00 | 60,01,268   | 26.00 | 1,85,50,079*  | 80.36* |
| (3) Parties to agreement other than (1) (a) & (2)              | 0  | 0.00  | 0   | 0.00 | 0   | 0.00  | 0   | 0.00   |
| (4) Public (other than parties to agreement, acquirers & PACs) |  |       |   |      |   |       |   |        |

|   |                         |                    |          |             |                 |             |                    |                    |
|---|-------------------------|--------------------|----------|-------------|-----------------|-------------|--------------------|--------------------|
| a.<br>Fis / MFs /<br>FIIs / AIF /<br>Banks /<br>Insurance<br>Companies<br>/NBFCs<br>registered<br>with RBI<br>/FPIs | 20,70,853               | 8.97               | 0        | 0.00        | (60,01,268<br>) | (26.00<br>) | 45,31,719          | 19.63              |
| b. Others   | 84,62,134               | 36.66              | 0        | 0.00        |                 |             |                    |                    |
| Total (4) (a+b)   | 1,05,32,98<br>7         | 45.63              | 0        | 0.00        | (60,01,268<br>) | (26.00<br>) | 45,31,719          | 19.63              |
| <b>GRAND<br/>TOTAL<br/>(1+2+3+4)</b>  | <b>2,30,81,79<br/>8</b> | <b>100.0<br/>0</b> | <b>0</b> | <b>0.00</b> | <b>0</b>        | <b>0.00</b> | <b>2,30,81,798</b> | <b>100.0<br/>0</b> |

\* Assuming full acceptance in the Offer.

Notes:

a) Percentage of shareholding is Calculated as a percentage of the Equity Share Capital.

b) Pursuant to completion of this Open Offer, if the shareholding of the public shareholders in the Target Company falls below the minimum public shareholding requirement as per Rule 19A of the SCRR read with SEBI (LODR) Regulations, the Acquirer will ensure that the Target Company satisfies the minimum public shareholding set out in Rule 19A of the SCRR in compliance with applicable laws, within the prescribed time.

c) The number of shareholders in the “public category” as on December 31, 2024, is 43,934.

d) As on the date of this DLOF, Promoters of the Target Company are Heubach Holding Switzerland AG (PAC-2) and Heubach Ebito Chemiebeteteiligungen AG (PAC-3). However, in the shareholding pattern filed with the Stock Exchanges, the Promoter entities of the Target Company are disclosed as Colorants International AG and Ebito Chemiebeteteiligungen AG, the erstwhile names of the current Promoter entities, since demat account of the Promoter entities are still registered in their erstwhile names i.e., Colorants International AG and Ebito Chemiebeteteiligungen AG. The Target Company is in a process of updating names of its Promoter entities from Colorants International AG and Ebito Chemiebeteteiligungen AG to Heubach Holding Switzerland AG and Heubach Ebito Chemiebeteteiligungen AG, respectively, by way of updating details of the respective demat accounts of the Promoter entities.

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of Offer Price

6.1.1. This Offer is a mandatory open offer made under Regulations 3(1), 4 and 5(1), and other applicable regulations of the SEBI (SAST) Regulations, pursuant to an indirect acquisition of voting rights in, and control over, the Target Company by the Acquirer.

6.1.2. The Equity Shares of the Target Company are listed on BSE Limited (Scrip Code: 506390) and National Stock Exchange of India Limited (NSE Symbol: HEUBACHIND). The ISIN of the Equity Shares of the Target Company is INE492A01029.

6.1.3. The annualized trading turnover in the equity shares of the Target Company on BSE and NSE based on trading volume during the 12 (twelve) calendar months prior to the month of Public Announcement (October 01, 2023, to September 30, 2024) is as given below:

| Name of the Stock Exchange | Total number of Equity Shares traded during the 12 (Twelve) calendar months prior to the month of PA | Total Number of Shares issued by the Target Company | Annualized Trading Turnover (in terms of % to Total Capital) |
|----------------------------|--|---|--|
| BSE                        | 2676594  | 23081798  | 11.59%   |
| NSE                        | 25635796   | 23081798  | 111.06%  |

(Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com))

6.1.4. Based on the above information available on the websites of BSE and NSE, the equity shares of the Target Company are frequently traded on BSE and NSE (within the meaning of Regulation 2(1)(j) of the SEBI (SAST) Regulations. Hence, the Offer Price of 602.03 (Indian Rupees Six Hundred and Two and Paise Three Only) per fully paid-up Equity Share has been determined and justified in terms of Regulation 8(1) and 8(3) of the SEBI (SAST) Regulations, being the highest of the following:

| Sr. No | Particulars   | Price          |
|--------|---|----------------|
| 1.1.   | The highest negotiated price per share, if any, of the Target Company for any acquisition under the agreement attracting the obligations to make a Public Announcement of an Open Offer.  | Not Applicable |
| 1.2.   | The volume-weighted average price paid or payable for any acquisition, whether by the Acquirer or PAC, during the 52 (Fifty-Two) weeks immediately preceding the earlier of, the date on which the Primary Acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain.  | Not Applicable |
| 1.3.   | The highest price paid or payable for any acquisition whether by the Acquirer or PAC, during the 26 (Twenty-Six) weeks immediately preceding the earlier of, the date on which the Primary Acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain   | Not Applicable |
| 1.4.   | The highest price paid for any acquisition, whether by the Acquirer or any person acting in concert with him, between the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in the public domain, and the date of the PA of the Open Offer  | Not Applicable |
| 1.5.   | The volume-weighted average market price of the shares for a period of 60 (Sixty) trading days immediately preceding the earlier of, the date on which the primary acquisition is contracted, and the date on which the intention or the decision to make the primary acquisition is announced in public domain, as traded on the Stock Exchange where maximum volume of trading in the shares of the target Company are recorded during such period, provided such shares are frequently traded (The maximum | Rs. 578.11     |

|      |   |                |
|------|---|----------------|
|      | volume of trading in the shares of the target company is recorded on NSE during such period and such shares are frequently traded)  |                |
| 1.6. | Price at point 1.5 above, after including the 10% interest in terms of Regulation 8(12) of the SEBI(SAST) Regulations(Including interest of 23.92 (Indian Rupees Twenty Three and Paise Ninety Two Only) per Offer Share, computed at the rate of 10% per annum, for the period between October 11, 2024 and March 10, 2025, being the date of publication of this DPS) | Rs. 602.03     |
| 1.7. | Where the shares are not frequently traded, the price determined by the acquirer, the PACs and the Manager to the Offer, taking into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.   | Not Applicable |
| 1.8. | The per equity share value computed under Regulation 8(5), if applicable.   | Rs. 147.37**   |

\* Source: Certificate dated March 08, 2025, issued by Banshi S. Mehta & Co., Chartered Accountants (FRN:100991W) (Drushti R. Desai, Partner, Membership No. – 102062)

\*\*Note: Following steps have been adopted by Banshi S. Mehta & Co., Chartered Accountants to apportion the value per equity share for the purposes of Regulation 8(5):

(a) It is understood by the management that a separate price has not been allocated to the Target Company in the SPA and PTA. Further, the Exhibit 12.1.2 of the PTA allocates a consideration of EURO 7.5 million for PAC-2, which inter-alia held shares of the Target Company.

(b) Amount of Net Worth of subsidiaries / investments of PAC-2 is mapped based on the provisional balance as at December 31, 2023.

(c) Considering that few of the subsidiaries / investee companies were having negative net worth, Banshi S. Mehta & Co., Chartered Accountants added the negative net worth to the consideration of PAC-2 to arrive at the gross consideration.

(d) The gross consideration so derived at, is apportioned to Target Company in the ratio of its net worth to total net worth of subsidiaries with positive net worth. Banshi S. Mehta & Co., Chartered Accountants, also checked the said apportionment based on profits of the subsidiaries for year-to-date August 31, 2024 (based on provisional accounts provided).

(e) The higher of apportioned consideration based on net worth and profits as derived above is considered as the value of Target Company for the purpose of primary acquisition.

(f) As the said value of Target Company is for 54.36% of the stake held by PAC-2 along with PAC-3, Banshi S. Mehta & Co., Chartered Accountants grossed up the apportioned consideration arrived at above and divided the same by the number of shares of Target Company to derive the value per share of Target Company for the purposes of Regulation 8(5).

6.1.5. In view of the parameters considered and presented in table above, in the opinion of the Acquirer, PACs, and Manager to the Offer, the Offer Price of Rs.602.03 (Indian Rupees Six Hundred and Two and Paise Three Only) per fully paid-up Equity Share is justified in terms of Regulation 8(1) and 8(3) of the SEBI (SAST) Regulations.

6.1.6. As on the date of this DLOF, there have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters in terms of Regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be adjusted by the Acquirer, and PACs in consultation with the Manager, in the event of any corporate action(s) such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of dividend, de-mergers, reduction of capital, etc. where the

record date for effecting such corporate action(s) falls prior to the 3rd (third) Working Day before the commencement of the Tendering Period, in accordance with Regulation 8(9) of the SEBI (SAST) Regulations.

- 6.1.7. 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 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 (third) Working Day before the commencement of the Tendering Period and until the expiry of the Tendering Period.
- 6.1.8. As on the date of this DLOF, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer, and the PACs shall (i) make corresponding increases to the escrow amounts in the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS has been published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, Stock Exchanges and the Target Company at its registered office of such revision. The revised Offer Price would be paid to all the Public Shareholders whose Equity Shares are accepted under the Open Offer.
- 6.1.9. If the Acquirer, and the PACs acquire Equity Shares during the period of twenty six weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirer together with the PACs shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose Equity Shares have been accepted in this Open Offer within 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, 2009 or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares in any form.

## **6.2. Financial Arrangements**

- 6.2.1. The maximum consideration for the Open Offer is Rs. 3,61,29,43,374.04 (Indian Rupees Three Hundred Sixty- One Crore Twenty-Nine Lakh Forty-Three Thousand Three Hundred and Seventy-Four and Paise Four Only) payable in cash.
- 6.2.2. The Acquirer along with the PACs have confirmed that they have sufficient and adequate financial resources to fulfil the obligations under the Open Offer and have put in place firm financial arrangements for financial resources required for the implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. Further, it was also confirmed that the Acquirer, and the PACs are in a position to meet their payment obligations under the Offer through own resources, liquid assets and sanctioned limits for the business purposes by the NBFCs and financial institutions.



- 6.2.3. Sunit S. Shaha, Chartered Accountant, (Partner's Membership No.:-142953) (Firm Registration No.:-W100637) (Firm Name:-P V Deo & Associates, LLP) having its office at Office No. 604, Level 6, Jeevan Heights, Plot No. 53/3, Thorat Colony, CTS 110, Erandawana, Off Prabhat Road, Pune – 411 004, Maharashtra, India Phone No.:020 2999 8312, Email: sunit.shaha@pvdeoca.co.in, have through its certificate dated March 08, 2025 certified that the Acquirer, and PACs have made firm financial arrangements for financing the acquisition of Equity Shares under the Offer through own resources, liquid assets and sanctioned limits for the business purposes by the NBFCs and financial institutions.
- 6.2.4. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer, PACs, and the Manager to the Offer have entered into an escrow agreement with The Hongkong and Shanghai Banking Corporation Limited (acting through its office situated at 11th Floor, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063, (“**Escrow Agent**”) on March 05, 2025 (“**Escrow Agreement**”) and created an escrow account in the name and the style of HSBC-SUDARSHAN EUROPE B.V. OPEN OFFER ESCROW ACCOUNT (“**Escrow Account**”) with Account No. 105-014088-001, with the Escrow Agent. The Acquirer has deposited an amount of Rs. 361,50,00,000.00 (Indian Rupees Three Hundred and Sixty-One Crores and Fifty Lakhs Only). This amount is more than 100% of the Offer Size.
- 6.2.5. The Manager to the Offer has been authorised by the Acquirer to operate and realize monies lying to the credit of the Escrow Account, in terms of the Regulation 17 of the SEBI (SAST) Regulations.
- 6.2.6. In case of any upward revision in the Offer Price or the size of this Offer, the value in cash of the Escrow Amount shall be computed on the revised consideration calculated at such revised offer price and any additional amounts required will be funded by the Acquirer, and PACs, prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.
- 6.2.7. Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer, to fulfil the obligations in relation to this Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

## 7. TERMS AND CONDITIONS OF THE OFFER

### 7.1. Operational Terms and Conditions

- 7.1.1. This Offer is being made by the Acquirer to all the Public Shareholders: (i) whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; (ii) who are beneficial owners of the Equity Shares and appear as beneficiaries on the records of the respective Depositories, as of the close of business on the Identified Date; and (iii) who acquire the Equity Shares any time prior to the date of the closure of the Tendering Period for this Offer whether or not they have been registered as holders of the Equity Shares. In terms of the tentative Schedule of major activities, the Tendering Period for the Offer shall commence on April 30, 2025 and close on May 15, 2025 (both days inclusive). It is hereby clarified that the Acquirer reserves the right to complete the Underlying Transaction at any time after the expiry of 21

(Twenty One) Working Days from the date of the DPS, subject to the provisions of Regulation 22 of the SEBI (SAST) Regulations.

- 7.1.2. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests, and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained all necessary approvals and consents for it to sell the Equity Shares on the foregoing basis.
- 7.1.3. This Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of SEBI (SAST) Regulations.
- 7.1.4. The Identified Date for this Offer as per the tentative schedule of major activities is April 15, 2025. The Letter of Offer shall be sent to the Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date. All Public Shareholders, (registered or unregistered), who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible to participate in this Offer. The PA, the DPS, the DLOF and this Letter of Offer will also be available on SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)). In case of non-receipt of the Letter of Offer, the Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer from SEBI's website. The acceptance of this Offer by Public Shareholders must be absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever. None of the Acquirer, the Manager to the Offer or the Registrar to the Offer accept any responsibility for any loss of documents during transit and Public Shareholders are advised to adequately safeguard their interest in this regard. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.
- 7.1.5. In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.
- 7.1.6. Accidental omission to dispatch the Letter of Offer to any Public Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Public Shareholder shall not invalidate this Offer in any way.
- 7.1.7. The Public Shareholders may tender their Equity Shares in the Offer at any time from the commencement of the Tendering Period but prior to the closure of the Tendering Period. The Acquirer has up to ten (10) Working Days from the closure of the Tendering Period to pay the consideration to the Public Shareholders whose Equity Shares are accepted in the Open Offer.
- 7.1.8. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that they have good and valid title on the Offer Shares. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Offer Shares are clear from all liens, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Offer, together with all the economic, voting and beneficial rights attached thereto, including all the rights to dividends,

bonuses and right offers declared thereof, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.

- 7.1.9. The acquisition of Equity Shares under the Open Offer from all Public Shareholders (resident and non-resident) is subject to all approvals required to be obtained by such Public Shareholders in relation to the Open Offer and the transfer of Equity Shares held by them to the Acquirer. Further, if the Public Shareholders who are not persons resident in India require or had required any approvals in respect of the transfer of Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Open Offer. In the event such prior approvals are not submitted, the Acquirer and/or PACs reserve their right to reject such Equity Shares tendered in this Offer. If the Equity Shares are held under general permission of the RBI, the non-resident Public 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.
- 7.1.10. The Target Company does not have any Equity Shares which are currently locked-in.
- 7.1.11. The marketable lot for the Equity Shares of the Target Company shall be 1 (one).
- 7.1.12. All the Equity Shares validly tendered under this Open Offer to the extent of the Offer Size will be acquired by the Acquirer in accordance with the terms and conditions set forth in the Draft Letter of Offer.
- 7.1.13. The Acquirer and the PACs shall not be responsible in any manner for any loss of documents during transit (including but not limited to Open Offer acceptance forms, copies of delivery instruction slips, etc.) and the Public Shareholders are advised to adequately safeguard their interests in this regard.
- 7.1.14. 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 Public Shareholder may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected.
- 7.1.15. The Acquirer reserves the right to revise the Offer Price upwards at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding further deposits into the Escrow Account; (ii) make a public announcement in the same newspapers in which the DPS is published; and (iii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges, and the Target Company at its registered office of such revision. The Acquirer would pay such revised price for all the Equity Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of this Draft Letter of Offer.
- 7.1.16. The Identified Date for this Offer as per the schedule of activities is April 15, 2025. The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the LOF would be sent. It is clarified that all the Public Shareholders (even

if they acquire Equity Shares and become shareholders of the Target Company after the Identified Date) are eligible to participate in the Open Offer.

- 7.1.17. The LOF shall be sent to all Public Shareholders whose names appear in the register of members of the Target Company on the Identified Date. Accidental omission to dispatch the LOF to any Public Shareholder to whom this Offer has been made or non-receipt of the LOF by any such Public Shareholder shall not invalidate this Offer in manner whatsoever. In case of non-receipt of the LOF, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the LOF and the Form of Acceptance from the website of the Registrar to the Offer ([www.in.mpms.mufg.com/](http://www.in.mpms.mufg.com/)) or the Stock Exchanges ([www.bseindia.com](http://www.bseindia.com); [www.nseindia.com](http://www.nseindia.com)).
- 7.1.18. The instructions, authorizations and provisions contained in the Form of Acceptance constitute an integral part of the terms of the Open Offer. The Public Shareholders can write to the Registrar to the Offer/Manager to the Offer requesting for the Letter of Offer along with the Form of Acceptance and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the date of the Closure of the Tendering Period. Alternatively, the Letter of Offer along with the Form of Acceptance will also be available at SEBI's website, [www.sebi.gov.in](http://www.sebi.gov.in), and the Public Shareholders can also apply by downloading such forms from the website.
- 7.1.19. The Acquirer, the Manager and the Registrar to the Offer do not accept any responsibility for any loss of documents during transit (including but not limited to Form of Acceptance, delivery instruction slips, original share certificates, share transfer forms, etc.), and Public Shareholders are advised to adequately safeguard their interest in this regard. The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgement constitute part of the terms of the Offer.

## 7.2. **Eligibility for accepting the Offer**

- 7.2.1. The Letter of Offer shall be sent to the Public Shareholders holding Equity Shares whose names appear in the register of members of the Target Company on the Identified Date.
- 7.2.2. All Public Shareholders registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible to participate in this Offer.
- 7.2.3. The Public Announcement, the DPS, this Draft Letter of Offer, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement will also be available on SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)). In case of non-receipt of the Letter of Offer, the Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI's website.
- 7.2.4. The acceptance of this Offer by the Public Shareholders must be absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

- 7.2.5. All Public Shareholders, (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer and the PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares 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 holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer and PACs reserve the right to reject such Offer Shares.
- 7.2.6. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s).
- 7.2.7. By accepting this Offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirer for the purpose of this Offer.
- 7.2.8. None of the Acquirer, the Manager to the Offer or the Registrar to the Offer accept any responsibility for any loss of document including but not limited to original equity share certificates, Form of Acceptance-cum-Acknowledgment, delivery instruction slips, share transfer forms etc. during transit and the Public Shareholders are advised to adequately safeguard their interest in this regard.
- 7.2.9. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirer and/or PACs in consultation with the Manager to the Offer. 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 a maximum of 6,001,268 Equity Shares, representing 26% (twenty-six percent) of the Voting Share Capital, in consultation with the Manager to the Offer.
- 7.2.10. The instructions, authorizations and provisions contained in the Form of Acceptance-cum- Acknowledgment constitute part of the terms of the Offer.

### 7.3. **Statutory and other approvals**

- 7.3.1. As on the date of this DLOF, to the best of the knowledge of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Open Offer. The Acquirer has received requisite regulatory approvals including international merger-control approvals and international FDI related approvals. In case, if any statutory approval(s) are required or become applicable at a later date before the closure of the Tendering Period, this Open Offer shall be subject to the receipt of such statutory approvals.
- 7.3.2. The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Equity Shares are clear from all liens, charges, encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Open Offer, free from all liens and together with all rights attached thereto, including all the rights to the dividends, bonuses and rights offers declared thereof in accordance with the terms and conditions set forth in the PA, this DLOF and as will be set out in the Letter of Offer,

and the Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.

- 7.3.3. All Public Shareholders, including resident or non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer, and the PACs, reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India (including non-resident Indians, foreign institutional investors and foreign portfolio investors) 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 holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer, and the PACs, reserve the right to reject such Offer Shares. 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.
- 7.3.4. Subject to the receipt of the statutory approval, if applicable, and other approvals set out herein, the Acquirer and PACs shall complete payment of consideration within 10 (ten) Working Days from the closure of the tendering period to those Public Shareholders whose documents are found valid and in order and are approved for acquisition by the Acquirer and PACs in accordance with Regulation 21(2) of the SEBI (SAST) Regulations. Where statutory or other approval(s) extends to some but not all of the Public Shareholders, the Acquirer and PACs 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.
- 7.3.5. In case of delay in receipt of any statutory approval, if applicable, the SEBI may, if satisfied that delayed receipt of the requisite approvals was not due to any wilful default or neglect of the Acquirer, and PACs, or the failure of the Acquirer, and PACs, to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer, and the PACs, agreeing to pay interest to the shareholders as directed by the SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations. Further, if delay occurs on account of wilful default by the Acquirer, together with PACs, in obtaining the requisite approvals, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable for forfeiture.
- 7.3.6. In the event that the required statutory approvals are not received or refused for any reason, which are outside the reasonable control of the Acquirer and the PACs, are not satisfied, the Acquirer and the PACs may rescind the SPA and shall have the right to withdraw this Open Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of the SPA being rescinded and a withdrawal of the Open Offer, a public announcement will be made by the Acquirer through Manager to the Open Offer, within 2 Working Days of such withdrawal, in the same newspapers in which PA was published,

and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 8.1. The Offer will be implemented by the Acquirer through the stock exchange mechanism made available by the Stock Exchanges in the form of a separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI’s Master Circular dated February 16, 2023, bearing reference No. SEBI/HO/CFD/PoD-1/P/CIR/2023/31 (“**Acquisition Window Circulars/** Master Circular / SEBI Circular”). The facility for acquisition of Equity Shares through the stock exchange mechanism pursuant to the Offer shall be available on BSE and NSE in the form of the Acquisition Window.
- 8.2. BSE shall be the designated stock exchange for the purpose of tendering shares in the Offer (“**Designated Stock Exchange**”).
- 8.3. The Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be sent to the Public Shareholders whose names appear on the register of members of the Target Company and to the beneficial owners of the Equity Shares whose names appear in the beneficial records of the respective depositories, as of the close of business on the Identified Date.
- 8.4. The Public Announcement, the Detailed Public Statement, this Draft Letter of Offer, the Letter of Offer and the Form of Acceptance-cum-Acknowledgement will also be available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in). In case of non-receipt of the Letter of Offer, all Public Shareholders including those who have acquired Equity Shares of the Target Company after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance-cum-Acknowledgement from SEBI’s website or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company for applying in the Offer.
- 8.5. All the Public Shareholders who desire to tender their Equity Shares under the Offer should consult with their depository participants and their respective stockbrokers (“**Selling Broker**”) well in advance to understand the process and methodology in relation to tendering of the Equity Shares through the Stock Exchanges during the Tendering Period. The Buying Broker or its affiliate may also act as Selling Broker for Public Shareholders.
- 8.6. The Acquirer has appointed Axis Capital Limited (“**Buying Broker**”) as its broker for the Offer through whom the purchase and settlement of the Equity Shares tendered in the Offer will be made. The contact details of the Buying Broker are as mentioned below:



Name: Axis Capital Limited

Address: Axis House, level 1, P B Marg, Worli, Mumbai, India 400025

Contact Person: Amit Lakhotia

Telephone: +91 22 4325 5585 E-mail ID: [ops@axiscap.in](mailto:ops@axiscap.in)

SEBI Registration: INZ000189931

- 8.7. Public Shareholders have to ensure that their Equity Shares are made available to their seller brokers in order to mark the lien, before the closure of the Tendering Period. The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Public Shareholders' sole risk. Public Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Offer are completed.
- 8.8. Modification/cancellation of orders will not be allowed during the Tendering Period.
- 8.9. The Acquisition Window will be provided by both NSE and BSE to facilitate placing of sell orders. The Selling Broker can enter orders for Equity Shares in dematerialized form or physical form.
- 8.10. Public Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant). In the event Seller Broker(s) are not registered with BSE or NSE if the Shareholder does not have any stock broker then that Shareholder can approach any BSE or NSE registered stock broker and can make a bid by using quick unique client code ("UCC") facility through that BSE or NSE 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 Public Shareholder is not able to bid using quick UCC facility through any other BSE or NSE registered stockbroker then the Public Shareholder may approach Buying Broker, to bid by using quick UCC facility. The Shareholder approaching BSE or NSE registered stockbroker (with whom he does not have an account) may have to submit following details:

**8.11. In case of Shareholder being an individual**

- (a) If Shareholder is registered with KYC Registration Agency ("KRA"): Forms required:
- i. Central Know Your Client (CKYC) form including Foreign Account Tax Compliance Act (FATCA), In Person Verification (IPV), Original Seen and Verified (OSV) if applicable.
  - ii. Know Your Client (KYC) form Documents required (all documents self-attested):  
Bank details (cancelled cheque)
  - iii. Demat details (Demat Master /Latest Demat statement)
- (b) If Shareholder is not registered with KRA: Forms required:
- i. CKYC form including FATCA, IPV, OSV if applicable
  - ii. KRA form
  - iii. KYC form Documents required (all documents self-attested):  
PAN card copy  
Address proof  
Bank details (cancelled cheque)
  - iv. 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.



8.12. **In case of Shareholder is HUF:**

(a) **If Shareholder is registered with KRA: Forms required:**

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KYC form documents required (all documents self-attested):  
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)

(b) **If Shareholder is not registered with KRA: Forms required:**

- i. CKYC form of KARTA including FATCA, IPV, OSV if applicable
- ii. KRA form
- iii. Know Your Client (KYC) form Documents required (all documents self-attested):  
PAN card copy of HUF & KARTA  
Address proof of HUF & KARTA  
HUF declaration  
Bank details (cancelled cheque)
- iv. 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.

8.13. **In case of Shareholder other than Individual and HUF:**

(a) **If Shareholder is KRA registered: Form required**

- i. Know Your Client (KYC) form Documents required (all documents certified true copy)  
Bank details (cancelled cheque)
- ii. Demat details (Demat master /Latest Demat statement)
- iii. FATCA, IPV, OSV if applicable
- iv. Latest list of directors/authorised signatories/partners/trustees
- v. Latest shareholding pattern
- vi. Board resolution
- vii. Details of ultimate beneficial owner along with PAN card and address proof
- viii. Last 2 years financial statements

(b) **If Shareholder is not KRA registered: Forms required:**

- i. KRA form
- ii. Know Your Client (KYC) form Documents required (all documents certified true copy):  
PAN card copy of company/ firm/trust  
Address proof of company/ firm/trust  
Bank details (cancelled cheque)
- iii. Demat details (Demat Master /Latest Demat statement)
- iv. FATCA, IPV, OSV if applicable
- v. Latest list of directors/authorised signatories /partners/trustees
- vi. PAN card copies & address proof of directors/authorised signatories/partners/trustees

- vii. Latest shareholding pattern
- viii. Board resolution/partnership declaration
- ix. Details of ultimate beneficial owner along with PAN card and address proof
- x. Last 2 years financial statements
- xi. 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 above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.*

#### **8.14. Procedure For Tendering Shares Held In Dematerialized Form**

- 8.14.1. The Public Shareholders who are holding Equity Shares in electronic/dematerialised form and who desire to tender their Equity Shares in this Offer shall approach their respective Selling Broker indicating to their Selling Broker the details of Equity Shares that such Public Shareholder intends to tender in this Offer. Public Shareholders should tender their Equity Shares before market hours close on the last day of the Tendering Period.
- 8.14.2. The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the Stock Exchanges. Before placing the order/bid, the seller broker will be required to mark lien on the tendered Equity Shares.
- 8.14.3. The lien shall be marked by the Selling Broker in the demat account of the Public Shareholder for the Equity Shares tendered in the Open Offer. Details of such Equity Shares marked as lien in the demat account of the Public Shareholder shall be provided by the depositories to the Clearing Corporation.
- 8.14.4. Upon placing the order, the Selling Broker shall provide Transaction Registration Slip (“TRS”) generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- 8.14.5. On receipt of TRS from the respective Seller Broker, the Public Shareholder has successfully placed the bid in the Offer.
- 8.14.6. Modification/cancellation of orders will not be allowed during the tendering period of the Offer.
- 8.14.7. For custodian participant, orders for demat Equity Shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than the time provided by the Stock Exchanges on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

- 8.14.8. The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- 8.14.9. The Public Shareholders will have to ensure that they keep their DP account active and unblocked to successfully facilitate the tendering of the Equity Shares.
- 8.14.10. The cumulative quantity tendered shall be made available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.
- 8.14.11. In case any person has submitted Equity Shares in physical form for conversion to Demat, such Public Shareholders should ensure that the process of getting the Equity Shares converted to Demat mode is completed well in time so that they can participate in the Offer before the closure of the Tendering Period.
- 8.14.12. The Public Shareholders holding shares in Demat mode are not required to fill any Form of Acceptance-cum- Acknowledgement, unless required by their respective Selling Broker.
- 8.14.13. All non-resident Public Shareholders (i.e., Public Shareholders not residing in India including NRIs, OCBs and FPIs) are mandatorily required to fill the Form of Acceptance-cum- Acknowledgement. The non-resident Public Shareholders holding Equity Shares in Demat mode, directly or through their respective Selling Brokers, are required to send the Form of Acceptance-cum- Acknowledgement along with the required documents to the Registrar to the Offer at its address given on the cover page of the Letter of Offer. The envelope should be superscribed as “Heubach Colorants India Limited – Open Offer”. The detailed procedure for tendering Equity Shares will be included in the Form of Acceptance-cum- Acknowledgement.

#### **8.15. Procedure for tendering shares held in Physical Form**

- 8.15.1. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations, as amended and SEBI’s press release dated December 3, 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from April 01, 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/ CMD1/CIR/P/2020/144 dated July 31, 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. Accordingly, Public Shareholders holding Equity Shares in physical form as well are eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations.
- 8.15.2. The Public Shareholders who are holding equity shares in physical form and are desirous of tendering their equity shares in the Offer shall approach the relevant Selling Broker and submit the following set of documents for verification:

- i. Form of Acceptance-cum- Acknowledgement duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company;
- ii. Original share certificate(s);
- iii. Valid share transfer deed(s) (Form SH-4) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place;
- iv. Self-attested PAN Card copy (in case of joint holders, PAN card copy of all transferors);
- v. Any other relevant document such as (but not limited to) powers of attorney and/or corporate authorizations (including board resolution(s)/specimen signature(s)), Notarized Copy of death Certificate/ succession certificate or probated will, if the original shareholder has deceased, etc.
- vi. Self-attested copy of proof of address such as valid Aadhar card, voter ID, passport or driving license.
- vii. 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: (i) valid Aadhar card, (ii) voter identity card, or passport.

8.15.3. Based on these documents, The Selling Broker(s) should place bids 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 BSE and NSE. 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.

8.15.4. The Selling Broker(s)/Public Shareholder must deliver the original share certificates relating to its Equity Shares and other documentation listed in paragraph 8.12.2 above along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer i.e. MUFG Intime India Private Limited at the address mentioned on the cover page within 2 (Two) days of bidding by the Selling Broker i.e. last date for receipt of documents by Registrar is the Offer Closing Date (by 5.00 p.m.(IST)). The envelope should be superscribed “Heubach Colorants India Limited – Open Offer”. Share certificates for physical shares must reach the Registrar to the Offer within 2 (two) days of Offer Closing Date.

- 8.15.5. The Public Shareholders holding physical shares should note that their Equity Shares will not be accepted unless the complete set of documents specified in paragraph 8.12.2 above are submitted. Acceptance of the physical shares in this Offer shall be subject to verification by the Registrar to the Offer. On receipt of the confirmation from the Registrar to the Offer, the bid will be accepted or rejected (as applicable) and accordingly depicted on the exchange platform. Physical share certificates and other relevant documents should not be sent to the Acquirer, PACs, Target Company or the Manager.
- 8.15.6. All documents as mentioned above, shall be enclosed with the Form of Acceptance-cum- Acknowledgement, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate(s) enclosed with the Form of Acceptance-cum- Acknowledgement instead of the Equity Share certificate(s) of the Target Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Public Shareholders; (iii) If the Public Shareholders tender Equity Shares but the Registrar to the Offer does not receive the Equity Share certificate(s); (iv) In case the signature on the Form of Acceptance-cum- Acknowledgement and Form SH-4 does not match as per the specimen signature recorded with Target Company/registrar of the Target Company.
- 8.15.7. Public Shareholders who have sent the Equity Shares held by them for dematerialization need to ensure that the process of dematerialization is completed in time for the credit in the Demat Account, to be received on or before the closure of the Tendering Period or else their application will be rejected.
- 8.15.8. 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.

#### **8.16. Acceptance of Shares**

- 8.16.1. Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.
- 8.16.2. In the event that the number of 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, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot.
- 8.16.3. The marketable lot for the Equity Shares of the Target Company for the purpose of this Offer shall be 1 (One).

8.16.4. In case of any practical issues, resulting out of rounding-off of Equity Shares or otherwise, the Acquirer will have the authority to decide such final allocation with respect to such rounding-off or any excess of Equity Shares or any shortage of Equity Shares.

**8.17. Procedure for tendering Equity Shares in case of non-receipt of Letter of Offer**

8.17.1. Persons who have acquired the 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 Letter of Offer, may also participate in this Offer. Accidental omission to send the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way.

8.17.2. A Public Shareholder may participate in the Offer by approaching their broker/Selling Broker and tender the Equity Shares in the Offer as per the procedure mentioned in this Letter of Offer or in the relevant Form of Acceptance-cum- Acknowledgement.

8.17.3. The Letter of Offer along with Form of Acceptance-cum- Acknowledgement will be sent (through electronic mode or physical mode) to all the Public Shareholders of the Target Company, as appearing in the list of members of the Target Company as on the Identified Date. In case of non-receipt of the Letter of Offer along with Form of Acceptance-cum- Acknowledgement, such Public Shareholders of the Target Company may download the same from the SEBI website ([www.sebi.gov.in](http://www.sebi.gov.in)). Such Public Shareholders of the Target Company may also obtain an electronic copy of the Letter of Offer along with Form of Acceptance-cum- Acknowledgement from the Registrar to the Offer on providing suitable documentary evidence of holding the Equity Shares of the Target Company.

8.17.4. In case of non-receipt of the LOF, such Public Shareholders of the Target Company may download the same from the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) or obtain a physical copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company.

8.17.5. Alternatively, in case of non-receipt of the Letter of Offer, the Public 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 LOF. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE or NSE before the closure of the Tendering Period.

8.17.6. Physical share certificates and other relevant documents should not be sent to the Acquirer, PACs, Target Company or the Manager.

## 8.18. Settlement Process

- 8.18.1. On closure of the Tendering Period, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list shall be provided to the stock exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.
- 8.18.2. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market. Selling Broker(s) should use the settlement number to be provided by the Clearing Corporation to transfer the Equity Shares in favour of the Clearing Corporation.
- 8.18.3. For Equity Shares accepted under the Offer, the Clearing Corporation will make direct funds pay- out to respective Public Shareholders. If the relevant Public Shareholder's bank account details are not available or if the funds transfer instruction is rejected by RBI/relevant 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.
- 8.18.4. In case of certain client types viz. NRIs, non-resident 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 onwards releasing the same to their respective Public Shareholder's account. For this purpose, the client type details would be collected from the Registrar to the Offer.
- 8.18.5. For the Public Shareholder(s) holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Broker's settlement bank accounts for releasing the same to the respective Public Shareholder's account.
- 8.18.6. The Public Shareholders will have to ensure that they keep the DP account active and unblocked so that lien can be released in case of rejection or non-acceptance of the shares under the Open Offer. The Public Shareholders holding Equity Shares in dematerialized form will have to ensure that they update their bank account details with their correct account number used in core banking and IFSC codes.
- 8.18.7. The Public Shareholders will have to ensure that they keep the Depository Participant 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.
- 8.18.8. The direct credit of Equity Shares shall be given to the demat account of the Acquirer as indicated by the Buying Broker.
- 8.18.9. The Target Company is authorized to split the share certificate and issue a new consolidated share certificate for the unaccepted Equity Shares in case the Equity Shares accepted are less than the Equity Shares tendered in the Open Offer by the Public Shareholders holding Equity Shares in the physical form.

8.18.10. **Once the basis of acceptance is finalised, the lien marked against unaccepted shares shall be released.**

8.18.11. Any excess physical Equity Shares, including to the extent tendered but not accepted, will be returned by registered 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 at the registered Public Shareholders'/unregistered owners' sole risk to the sole/first Public Shareholder/unregistered owner.

8.18.12. Public Shareholders who intend to participate in the Offer should consult their respective Selling Broker for any cost, applicable taxes, 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 Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Acquirer, the PACs and the Manager to the Offer accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.

8.18.13. 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 Public 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.

8.18.14. Buying Brokers would also issue a contract note to the Acquirer and/or the PACs for the Equity Shares accepted under the Offer.

8.18.15. Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number to the Acquirer and/or the PACs. The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.

8.18.16. The Acquirer intend to complete all formalities, including the payment of consideration to the Public Shareholders of the Target Company whose shares have been accepted in the Offer, within a period of 10 (Ten) Working Days from the closure of the Tendering Period, and for this purpose, open a special account as provided under Regulation 21(1) of the SEBI (SAST) Regulations.

8.19. **Note on Taxation / Compliance with tax requirements**

**THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 (AS**



**AMENDED BY FINANCE ACT, 2022) AND THE REGULATIONS THEREUNDER.**

**THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.**

**THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS.**

**THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.**

**THE IMPLICATIONS ARE ALSO DEPENDENT ON THE PUBLIC SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, PUBLIC SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.**

**THE ACQUIRER DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, PUBLIC SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY OF INCOME-TAX IMPLICATIONS, RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE, AS SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.**

**THE SUMMARY ON TAX CONSIDERATIONS IN THIS SECTION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS NOTE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES. THE LAW STATED BELOW IS AS PER THE INCOME-TAX ACT, 1961.**

8.19.1. General:

(a) STT

- i. As the tendering of Equity Shares is being undertaken on the stock exchange, such transaction will be chargeable to STT. STT is payable in India on the value of securities on every purchase or sale of securities that are listed on the Indian stock exchange. Currently, the STT rate applicable on the purchase and sale of shares on the stock exchange is 0.1% of the value of security transacted.

(b) Income Tax

- i. The basis of charge of Indian Income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act.
- ii. A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e., income which is received or deemed to be received or accrues or arises or deemed to accrue or arise in India). In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.
- iii. Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.
- iv. Further, the non-resident shareholder can avail beneficial treatment under the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including but not limited to (a) conditions (if any) present in the said DTAA read with the relevant provisions of the MIL as ratified by India with the respective country of which the said shareholder is a tax resident and (b) non-applicability of GAAR and (c) providing and maintaining necessary information and documents as prescribed under the IT Act.
- v. The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.
- vi. The shareholders may be required to undertake compliances such as filing an annual income tax return, as may be applicable to different categories of persons, with the income tax authorities, reporting their income for the relevant year.

- vii. The summary of income-tax implications on tendering of listed Equity Shares on the recognised stock exchange in India is set out in the succeeding paras. All references to Equity Shares herein refer to listed Equity Shares unless stated otherwise.

#### 8.20. Classification of Shareholders:

Public Shareholders can be classified under the following categories:

- (a) Resident Shareholders being:
  - i. Individuals, Hindu Undivided Family (“**HUF**”), Association of Persons (“**AOP**”) and Body of Individuals (“**BOI**”)
  - ii. Others
    - Company
    - Other Than Company
- (b) Non-Resident Shareholders being:
  - i. Non-Resident Indians (NRIs)
  - ii. Foreign Institution Investors (FIIs) / Foreign Portfolio Investors (FPIs)
  - iii. Others:
    - Company
    - Other Than Company

#### 8.21. Classification of Income:

Shares can be classified under the following two categories:

- a) Shares held as investment (Income from transfer of such shares taxable under the head “Capital Gains”)
- b) Shares held as stock-in-trade (Income from transfer of such shares taxable under the head “Profits and Gains from Business or Profession”). As per the current provisions of the IT Act, unless specifically exempted, gains arising from the transfer of shares may be treated either as “Capital Gains” or as “Business Income” for income-tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade). Shareholders may also refer to Circular No.6/2016 dated February 29, 2016, issued by the Central Board of Direct Taxes (CBDT) in this regard.

- 8.22. **Shares held as investment:** As per the provisions of the IT Act, where the shares are held as investments (i.e., capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”.

Further, Section 2(14) of the IT Act has provided for deemed characterization of securities held by FPIs as capital assets, whether or not such assets have been held as a capital asset; and therefore, the gains arising in the hands of FPIs will be taxable in India as capital gains.

Capital gains in the hands of shareholders would be computed as per provisions of section 48 of the IT Act and the rate of income-tax would depend on the period of holding.

8.23. **Period of holding:** Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain/STCG” or “long-term capital gain/LTCG”:

- a) In respect of Equity Shares held for a period less than or equal to 12 months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“STCG”).
- b) Similarly, where Equity Shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“LTCG”).

8.24. **Tendering of Shares in the Offer through a Recognized Stock Exchange in India:**

Where a transaction for transfer of such Equity Shares (i.e. acceptance under the Open offer) is transacted through a Recognized Stock Exchange and is chargeable to STT, then the taxability will be as under (for all categories of shareholders):

- a) As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of Equity Shares exceeding one lakh rupees will be taxed at a rate of 10 percent provided the same has been subjected to STT, upon acquisition and sale.

If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by CBDT vide Notification No. 60/2018 dated October 1, 2018 in order to get benefit of taxation at 10% under Section 112A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under Section 112A of the IT Act.

- b) LTCG that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018 as per Section 55 of IT Act.

For computing capital gains under the grandfathering regime, the cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.

Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.

- c) LTCG, as computed u/s. 112A, will not be liable to tax to the extent not exceeding Rs. 1,00,000 (Rupees One lakh only).

Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.

- d) Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the Equity Shares):
- i. LTCG will be chargeable to tax at the rate of up to 20% (plus applicable surcharge and health and education cess) in the case of a non-resident Public Shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) in accordance with provisions of section 112 of the IT Act.
  - ii. In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) in accordance with provisions of section 115AD of the IT Act (without benefit of indexation and foreign exchange fluctuation).
  - iii. For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and health and education cess) under Section 115E of the IT Act on meeting certain conditions. While computing the LTCG, the benefit of indexation of cost may not be available.
  - iv. For a resident Public Shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and health and education cess) without indexation. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG.
  - v. Long term capital loss computed for a given year is allowed to be set-off only against LTCG computed for the said year, in terms of Section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off only against subsequent years' LTCG, in terms of Section 74 of the IT Act.
- e) As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @ 15% under section 111A of the IT Act. Further, no deduction under Chapter VI-A would be allowed in computing STCG subject to tax under Section 111A of the IT Act.
- f) In case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.
- g) Under Section 115AD(1)(ii) of the IT Act, STCG arising to a FII on transfer of shares (STT paid) will be chargeable at the rate of 15%.
- h) As per Section 70 of the IT Act, short term capital loss computed for a given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set-off against subsequent years' STCG as well as LTCG, in terms of Section 74 of the IT Act.

- i) Non-resident shareholder can avail benefits of the DTAA between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions as prescribed under the relevant DTAA read with MLI as may be in effect, and non-applicability of GAAR and providing and maintaining necessary information and documents as prescribed under the IT Act.
- j) As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

#### 8.25. Investment Funds

Under Section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head “Profits and gains of business or profession” would be exempt from income-tax on fulfilment of certain conditions specified therein. For this purpose, an “Investment Fund” means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012.

#### 8.26. Mutual Funds

Under Section 10(23D) of the IT Act, any income of mutual funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorised by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

#### 8.27. Shares held as Stock-in-Trade:

- a) If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains from Business or Profession”.
- b) Resident Shareholders Profits of:
  - i. Individuals, HUF, AOP and BOI will be taxable at applicable slab rates.
  - ii. Domestic companies having turnover or gross receipts not exceeding Rs. 400 crore in the relevant financial year as prescribed will be taxable @ 25%.
  - iii. Domestic companies which have opted for concessional tax regime under Section 115BAA will be taxable at 22%.
  - iv. For persons other than stated above, profits will be taxable @ 30%.
  - v. No benefit of indexation by virtue of period of holding will be available in any case
- c) Non-Resident Shareholders: Non-resident shareholders can avail beneficial provisions of the applicable DTAA, read with the MLI, entered into between India and the respective country of which the said shareholder is tax resident, subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

- d) Where DTAA provisions are not applicable:
- i. No benefit of indexation by virtue of period of holding will be available in any case.
  - ii. For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.
  - iii. For foreign companies, profits would be taxed in India @ 40%.
  - iv. For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.
- e) Other Matters: Further, the provisions of Minimum Alternate Tax on the book profits as contained in Section 115JB of the IT Act or Alternate Minimum Tax contained in Section 115JC of the IT Act, as the case may be, also need to be considered by the shareholders (other than resident company which has opted for concessional tax regime under Section 115BAA or Section 115BAB of the IT Act). Foreign companies will not be subject to MAT if the country of residence of such of the foreign country has entered into a DTAA with India under Sections 90/90A of the IT Act and such foreign company does not have a permanent establishment in India in terms of the DTAA. In case where the said conditions are not satisfied, MAT will be applicable to the foreign company. In case of non-corporate shareholders, applicability of the provisions of Alternative Minimum Tax as per Section 115JC of the IT Act will also need to be analyzed depending on the facts of each case.

#### 8.28. Tax Deduction at Source

- a) Resident Shareholders: In absence of any specific provision under the IT Act, the Acquirer is not required to deduct tax on the consideration payable to the shareholders pursuant to Tendering of the listed Equity Shares under the Offer on recognized stock exchange in India.
- b) Non-Resident Shareholders:
- i. In case of FIIs: Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs/FPIs, subject to fulfilment of the following conditions:
    - FIIs/FPIs furnishing the copy of the registration certificate issued by SEBI (including for subaccount of FII/FPI, if any);
    - FIIs/FPIs declaring that they have invested in the Equity Shares in accordance with the applicable SEBI regulations and will be liable to pay tax on their income as per the provisions of the IT Act.
    - If the above conditions are not satisfied, FIIs/FPIs may submit a valid and effective certificate for deduction of tax at a nil/lower rate issued by the income tax authorities under the IT Act (“TDC”), along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. The Acquirer shall deduct tax in accordance with such TDC.
  - ii. In case of non-resident tax payer (other than FIIs):  
Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source

(including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act read with the provisions of the relevant DTAA and MLI, if applicable. In doing this, the Acquirer will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard.

- 8.28.1. However, the Acquirer will not be able to deduct income-tax at source on the consideration payable to such non-resident shareholders as there is no ability for the Acquirer to deduct taxes since the remittance/payment will be routed through the stock exchange, and there will be no direct payment by the Acquirer to the non-resident shareholders.
- 8.28.2. Since the tendering of the Equity Shares under the Offer is through the stock exchange, the responsibility to discharge tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. The Acquirer believes that the responsibility of withholding/discharge of the taxes due on such gains (if any) on sale of Equity Shares is solely on the non-resident shareholders. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.
- 8.28.3. In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer is entitled to be indemnified. The non-resident shareholders also undertake to provide the Acquirer, on demand, the relevant details in respect of the taxability/non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

**8.29. Remittance/Payment of Interest:**

- a) In case of interest, if any, paid by the Acquirer to resident and non-resident shareholder for delay in receipt of statutory approvals as per Regulation 18(11) of the SEBI (SAST) Regulations or in accordance with Regulation 18(11A) of the SEBI (SAST) Regulations, the final decision to deduct tax or the quantum of taxes to be deducted rests solely with the Acquirer depending on the settlement mechanism for such interest payments. In the event, the Acquirer decides to withhold tax, the same shall be basis the documents submitted along with the form of acceptance or such additional documents as may be called for by the Acquirer. It is recommended that the shareholders consult their custodians/ authorized dealers/ tax advisors appropriately with respect to the taxability of such interest amount (including on the categorisation of the interest, whether as capital gains or as other income). In the event the Acquirer is held liable for the tax liability of the shareholder, the same shall be to the account of the shareholder and to that extent the Acquirer should be indemnified.
- b) The shareholders must file their tax return in India inter alia considering the interest (in addition to the gains on the sale of shares), if any, arising pursuant to this Open Offer. The shareholders also undertake to provide the Acquirer, on demand, the



relevant details in respect of the taxability/ non-taxability of the proceeds pursuant to this Open Offer, copy of tax return filed in India, evidence of the tax paid etc.

8.30. **Rate of Surcharge and Cess:** As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable. Summary of the same is provided below:

Surcharge:

- i. In case of domestic companies:  
Surcharge @ 12% is leviable where the total income exceeds Rs. 10 crore and @ 7% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore for companies not opting for tax regime u/s. 115BAA and 115BAB.  
In case of domestic companies which are liable to pay tax under section 115BAA or section 115BAB: Surcharge @ 10% is leviable
- ii. In case of companies other than domestic companies:  
Surcharge @ 5% is leviable where the total income exceeds Rs. 10 crore.  
Surcharge @ 2% where the total income exceeds Rs. 1 crore but less than Rs. 10 crore
- iii. In case of individuals, HUF, AOP, BOI:  
Surcharge at the rate of 10% is leviable where the total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore.  
Surcharge at the rate of 15% is leviable where the total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore.  
Surcharge at the rate of 25% is leviable where the total income exceeds Rs. 2 crore but does not exceed Rs. 5 crore.  
Surcharge at the rate of 37% is leviable where the total income exceeds Rs. 5 crore. However, for the purpose of income chargeable under section 111A, 112, 112A and 115AD(1)(b) (for income chargeable to tax under the head capital gains), the surcharge rate shall not exceed 15%.
- iv. In case of Firm and Local Authority: Surcharge @12% is leviable where the total income exceeds Rs. 1 crore. Cess: Cess Health and Education Cess @ 4% is currently leviable in all cases.

**THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.**

*Note: The CBDT has vide Notification No. 9/2014 dated January 22, 2014, notified Foreign Portfolio Investors registered under the Securities and Exchange Board of India (FPI) Regulations, 2014 as FII for the purpose of Section 115AD of the IT Act.*

## 9. DOCUMENTS FOR INSPECTION

The Acquirer shall make arrangements for the following material documents to be made available for inspection by the Public Shareholders of the Target Company at the office address of PAC-1 at 7<sup>th</sup> Floor, Eleven West Panchshil, Survey No. 25, Near PAN Card Club Road, Baner, Pune – 411 069, Maharashtra, India on any Working Day between 10.30 am to 3.00 pm during the Tendering Period:

- 9.1. Copies of certificate of incorporation and constitutional documents of the Acquirer and PACs;
- 9.2. Certificate dated March 08, 2025, issued by Sunit S. Shaha, Chartered Accountant (Partner Membership No.: 142953) (Firm Registration No.: W100637) (Firm Name: P V Deo & Associates LLP) certifying that the Acquirer has adequate financial resources to fulfil their obligations under this Offer;
- 9.3. Certificates dated March 08, 2025, issued by Banshi S. Mehta & Co., Chartered Accountants (FRN: 100991W) (Drushti R. Desai, Partner, Membership No.: 102062) certifying the Offer Price computation;
- 9.4. Copies of annual reports of the Target Company for the financial years ending March 31, 2022, March 31, 2023, March 31, 2024 and limited reviewed unaudited financial results for the period ended December 31, 2024;
- 9.5. Copies of audited standalone financial statements for periods ended March 31, 2022, March 31, 2023, March 31, 2024 of Acquirer;
- 9.6. Copies of annual reports of PAC-1 for the financial years ending March 31, 2022, March 31, 2023, March 31, 2024 and limited reviewed unaudited financial results for the period ended December 31, 2024;
- 9.7. Copies of Certificate dated March 18, 2025, by Abhijeet S. Pachhapure, Chartered Accountant certifying the financials as per the unaudited standalone financial statements for period ended December 31, 2022, December 31, 2023, December 31, 2024, for PAC-2 and PAC-3.
- 9.8. Copy of the Escrow Agreement dated March 05, 2025, entered into by and among the Acquirer, Escrow Agent and Manager to the Offer;
- 9.9. A letter dated March 06, 2025, from Escrow Agent confirming the amount kept in the Escrow Account and a lien in favour of the Manager to the Offer;
- 9.10. Copy of PA dated October 16, 2024, published copy of the Detailed Public Statement dated March 08, 2025, Letter of Offer dated [●], dispatch advertisement and issue opening public announcement to be made;
- 9.11. A copy of the recommendation made by the Target Company's committee of independent directors constituted by the Board of Directors published in the newspapers; and
- 9.12. A copy of the observation letter no. [●] from SEBI dated [●].

Copies of the aforementioned documents will also be available for inspection to the Public Shareholders electronically during the Tendering Period. Public Shareholders interested in inspecting any of the aforementioned documents electronically are requested to send an email from their registered email ids with the subject line "Documents for Inspection – Heubach Colorants India Limited - Open Offer" (along with the details of their shareholding, DP ID and Client ID and, in case of a corporate shareholder, a copy of the authority letter granting authority on behalf of the corporate shareholder to inspect documents), to the Manager to the Offer at

hcil.openoffer@axiscap.in, and access would be provided to the respective Public Shareholders for electronic inspection upon receipt and processing of such a request.

#### **10. DECLARATION BY THE ACQUIRER AND PACS**

- 10.1. For the purpose of disclosures in the Draft Letter of Offer relating to the Target Company, the Acquirer Group has relied on the information provided by the Target Company or as available in the public domain and have not independently verified the accuracy of details of the Target Company. Subject to the aforesaid, the Acquirer, PACs and their respective directors/general partner, severally and jointly accept full responsibility for the information contained in this Letter off Offer in relation to them and the Offer (other than such information as has been obtained from public sources or provided or confirmed by the Target Company).
- 10.2. The Acquirer and PACs would be severally and jointly responsible ensuring compliance as laid down in the SEBI (SAST) Regulations.
- 10.3. The persons signing the Draft Letter of Offer have been duly and legally authorized by the Acquirer and PACs to sign the Draft Letter of Offer.

| <b>Signed for and on behalf of the Acquirer</b> | <b>Signed for and on behalf of the PAC-1</b>              | <b>Signed for and on behalf of the PAC-2</b> | <b>Signed for and on behalf of the PAC-2</b> |
|---|---|--|--|
| Sd/-  | Sd/-  | Sd/-   | Sd/-   |
| <b>Name: Rajesh B. Rathi</b>                    | <b>Name: Mandar Velankar</b>                              | <b>Name: Marc Seidenspinner</b>              | <b>Name: Stefan Wiedemann</b>                |
| <b>Designation: Director</b>                    | <b>Designation: General Counsel and Company Secretary</b> | <b>Designation: Director</b>                 | <b>Designation: Director</b>                 |
| <b>Date: March 18, 2025</b>                     | <b>Date: March 18, 2025</b>                               | <b>Date: March 18, 2025</b>                  | <b>Date: March 18, 2025</b>                  |
| <b>Place: Pune, Maharashtra, India</b>          | <b>Place: Pune, Maharashtra, India</b>                    | <b>Place: Pratteln, Switzerland</b>          | <b>Place: Pratteln, Switzerland</b>          |

| <b>Signed for and on behalf of the PAC-3</b> | <b>Signed for and on behalf of the PAC-3</b> |
|--|--|
| Sd/-   | Sd/-   |
| <b>Name: Marc Seidenspinner</b>              | <b>Name: Stefan Wiedemann</b>                |
| <b>Designation: Director</b>                 | <b>Designation: Director</b>                 |
| <b>Date: March 18, 2025</b>                  | <b>Date: March 18, 2025</b>                  |
| <b>Place: Pratteln, Switzerland</b>          | <b>Place: Pratteln, Switzerland</b>          |