



REGISTERED OFFICE

GRANULES INDIA LTD., 2nd Floor, 3rd Block, My Home Hub,
Madhapur, Hyderabad - 500 081, Telangana, India.
Tel: +91 40 69043500, Fax: +91 40 23115145, mail@granulesindia.com, www.granulesindia.com
CIN: L24110TG1991PLC012471

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 214th MEETING OF THE BOARD OF DIRECTORS OF M/S GRANULES INDIA LIMITED HELD ON TUESDAY, THE 09TH DAY OF AUGUST 2022 AT THE REGISTERED OFFICE OF THE COMPANY AT 2nd FLOOR, 3rd BLOCK, MY HOME HUB, MADHAPUR, HYDERABAD (TS)-500 081.

CONSIDERATION AND APPROVAL OF THE PROPOSAL FOR BUYBACK OF EQUITY SHARES OF THE COMPANY

RESOLVED THAT in accordance with the Article 60 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Act”), rules framed under the Act, including the Companies (Share Capital and Debentures) Rules, 2014 (the “Share Capital Rules”), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended (“Buyback Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, as amended and such other approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the Securities and Exchange Board of India (“SEBI”), Registrar of Companies, Telangana at Hyderabad (the “ROC”) and/or other appropriate authorities or bodies (the “Appropriate Authorities”), as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (the “Board” which expression shall include any committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby accorded for buyback of up to 62,50,000 (Sixty two lakhs fifty thousand only) fully paid up equity shares of the Company having a face value of ₹ 1 (Rupee One Only) each (hereinafter referred to as the “Equity Shares” or “Shares”) representing 2.52% of the total number of equity shares in the paid-up share capital of the Company, at a price of Rs. 400/- (Rupees four hundred only) per fully paid up Equity Share (“Buyback Price”) payable in cash for a maximum amount not exceeding ₹ 250 crores (Rupees two hundred and fifty crores only) (“Buyback Size”), representing 9.93% and 9.92% of the aggregate of the fully paid-up equity share capital and free reserves of the Company as per the latest audited standalone and consolidated financial statements of the Company as at March 31, 2022 respectively and is within the 10% limit of paid-up equity share capital and free

T. Chaitanya





reserves (including securities premium account) of the Company as per the latest audited standalone and consolidated financial statements of the Company as at March 31, 2022 respectively. The Buyback is proposed to be undertaken from the equity shareholders of the Company as on the record date i.e. August 23, 2022 (“**Record Date**”) on a proportionate basis, through the Tender Offer route in accordance with the provisions contained in the Buyback Regulations and the Companies Act, 2013 and rules made thereunder (the “**Buyback**”) (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).

RESOLVED FURTHER THAT the Buyback Size does not include any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, brokerage, applicable taxes (such as income tax, buyback taxes, securities transaction tax, stamp duty and goods and service tax), advisors’ fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

RESOLVED FURTHER THAT in terms of Regulation 6 of the Buyback Regulations, the Company may buyback Equity Shares from the existing shareholders/beneficial owners including promoters and promoter group of the Company (including members thereof) and persons in control (including persons acting in concert) who holds equity shares of the Company as on Record Date (“**Eligible Shareholders**”), on a proportionate basis, provided that 15% (Fifteen Percent) of the number of Equity Shares which the Company proposes to buyback or number of Equity Shares entitled as per the shareholding of small shareholders as defined in the Buyback Regulations (“**Small Shareholders**”) as on the Record Date, whichever is higher, shall be reserved for the Small Shareholders as defined in the Buyback Regulations;

RESOLVED FURTHER THAT the Company shall implement the Buyback using the “Mechanism for Acquisition of Shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, read with the circulars issued in relation thereto, including circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and circular bearing reference number SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 including any further amendments thereof and the Company shall approach the Stock Exchange(s), as may be required, for facilitating the same.

RESOLVED FURTHER THAT the Buyback from the Eligible Shareholders who are persons residents outside India, including non-resident Indians, foreign nationals, foreign corporate bodies (including erstwhile overseas corporate bodies) and qualified institutional buyers including foreign portfolio investors, shall be subject to such approvals, if any, and to the extent necessary or required under the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and the rules and regulations framed thereunder from the concerned

T. Chaitanya



authorities including the Reserve Bank of India (“RBI”), and that such approvals shall be required to be taken by such shareholders themselves.

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified under Regulation 38 of the Listing Regulations and under the Securities Contracts (Regulation) Rules, 1957, as amended.

RESOLVED FURTHER THAT the proposed Buyback be implemented from the existing shareholders including the promoter(s) and promoter group of the Company (as have been disclosed under the shareholding pattern filings made by the Company from time to time under the Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011 (“SEBI Takeover Regulations”), from its free reserves and/or securities premium account of the Company or such other sources or by such mechanisms as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

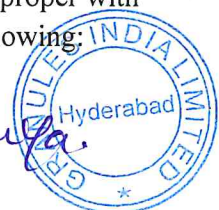
RESOLVED FURTHER THAT nothing contained hereinabove shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board to buyback any shares and/or impair any power of the Company or the Board to terminate any process in relation to such Buyback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

“**RESOLVED THAT** approval of the Board be and is hereby accorded for fixing August 23, 2022 as the Record Date for ascertaining the eligibility of the Shareholders to participate in the Buyback of equity shares of the Company.”

RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and supporting affidavit and other documents, placed before the meeting be and are hereby approved and Dr. Krishna Prasad Chigurupati, Chairman & Managing Director and Dr. Kandiraju Venkata Sitaram Rao, Joint Managing Director & CEO be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the ROC and SEBI in accordance with the applicable laws.

RESOLVED FURTHER THAT a Buyback Committee comprising of Dr. Krishna Prasad Chigurupati, Chairman & Managing Director, Mr. Arun Rao Akinepally, Independent Director and Mr. Sandip Neogi, Chief Financial Officer of the Company be and is hereby constituted and the powers of the Board in respect of Buyback be delegated to the Committee (“Buyback Committee”) and each member of the Buyback Committee be and is hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buyback, including, but not limited to, the following:

Dr. Chaitanya



1. The initiating of all necessary actions for preparation and issue of public announcement, draft letter of offer, letter of offer and related documents;
2. The preparation, finalization and filing of public announcement, draft letter of offer, letter of offer, related documents and also the certificates for declaration of solvency and other filings with the SEBI, ROC, the stock exchanges and other appropriate authority(ies), if any;
3. Finalizing the terms of Buyback such as the entitlement ratio, the schedule of activities for Buyback including finalizing the date of opening and closing of Buyback, the timeframe for completion of the Buyback;
4. The appointment of printers, advertisement agency, escrow bank, legal advisors, depository participants, and other advisors, consultants or representatives and settlement of the terms of their appointment including, remuneration for all such intermediaries/ agencies/ persons, including by the advisory fees, payment of commission, brokerage, fee, charges etc. and enter into agreements/ letters in respect thereof;
5. Seeking all regulatory approvals required for the Company to implement the Buyback, as applicable;
6. Earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback; ; arranging for bank guarantees as may be necessary for the Buyback in accordance with applicable law;
7. The opening, operation and closure of cash escrow account and special account in accordance with the escrow agreement to be executed by the Company in this regard;
8. The opening, operation and closure of the demat escrow account in accordance with the escrow agreement to be executed by the Company with the depository participant;
9. To settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buyback;
10. To make all applications to the appropriate authority(ies) for their requisite approvals including for approvals as may be required from the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations framed there under, if any;
11. To sign the documents as may be necessary with regard to the Buyback and use the common seal of the Company on relevant documents required to be executed for the Buyback and to initiate all necessary actions for preparation and issue of various documents and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, ROC, stock exchanges, depositories and/or other appropriate authorities;
12. To decide on designated stock exchange;

G. Chaitanya



GRANULES INDIA LIMITED
Hyderabad
*

13. To deal with stock exchanges (including their clearing corporations), and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the “Mechanism for Acquisition of Shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015, read with the circulars issued in relation thereto, including circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and and circular bearing reference number SEBI/HO/CFD/DCR-III/CIR/P/2021/615 dated August 13, 2021 including any further amendments thereof;
14. Taking all actions to verify offers and acceptances received, finalize the basis of acceptance;
15. Extinguishment of dematerialized shares and physical destruction of share certificates and certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Board;
16. To do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper for the implementation of the Buyback and
17. Sign, execute and deliver such documents as may be necessary or desirable in connection with or incidental to the Buyback;


The Company Secretary shall act as the Secretary to the Buyback Committee.

RESOLVED FURTHER THAT the quorum for a meeting of the Buyback Committee shall be presence of any two members and the Buyback Committee may regulate its own proceedings and meet as often as required, to discharge its functions and the sitting fees of Rs.30,000 per meeting shall be paid to Non-Executive member of the Committee.

RESOLVED FURTHER THAT the Buyback Committee be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, including but not limited to carrying out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, extinguishment of share certificates and ‘Certificate of Extinguishment’ required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, BSE Limited, National Stock Exchange of India Limited, ROC, depositories and/or other authorities.

RESOLVED FURTHER THAT the Buyback Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any officer(s) and/or representatives of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegation / sub-delegation of authority from time to time.

G. Chandrasekhar



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

RESOLVED FURTHER THAT in compliance with Buyback Regulations, Motilal Oswal Investment Advisors Limited, Merchant Banker be and are hereby appointed as the Manager to the Buyback and Motilal Oswal Financial Services Limited be and are hereby appointed as the Company Broker for the proposed buyback transaction at such remuneration as mutually agreed with Motilal Oswal Investment Advisors Limited and Motilal Oswal Financial Services Limited respectively.

RESOLVED FURTHER THAT in compliance with the Buyback Regulations, KFin Technologies Limited, be appointed as the Registrar for the proposed buyback transaction at such remuneration as mutually agreed and is designated as the investors service centre, as required under Regulation 24(iii) of the Buyback Regulations.

RESOLVED FURTHER THAT the Board hereby takes on record the report dated August 9, 2022 issued by S.R Batliboi & Associates LLP, Chartered Accountants, the statutory auditors of the Company, as required under clause (xi) of Schedule I of the Buyback Regulations.

RESOLVED FURTHER THAT as required by Clause (x) of Schedule I under Regulation 5 (iv)(b) of the Buyback Regulations, the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

1. That immediately following the date of this Board meeting i.e August 09, 2022, ("Board Meeting") there will be no grounds on which the Company could be found unable to pay its debts;
2. That as regards the Company's prospects for the year immediately following the date of this Board meeting and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when

M. Chaitanya



they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting

3. In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities). as if the Company were being wound up under the provisions of the Act or the Insolvency and Bankruptcy Code, 2016

RESOLVED FURTHER THAT the Board hereby confirms that:

1. All the equity shares for Buyback are fully paid-up;
2. The Company shall not issue and allot any Equity Shares or other specified securities including by way of bonus or convert any outstanding employee stock options /outstanding instruments into Equity Shares, from the date of the Board Meeting till the date of payment of consideration to shareholders who have accepted the Buyback;
3. The Company shall not raise further capital for a period of one year from the expiry of the Buyback period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
4. The Company has not undertaken a buyback of any of its securities during the period of one year immediately preceding the date of the Board Meeting.
5. The Company shall not buy back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
6. The Company shall not buy back its Equity Shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
7. The Buyback Size i.e., Rs. 250 crores (Rupees two hundred and fifty crores only) does not exceed 10% of the aggregate of the fully paid-up Equity Share capital and free reserves of the Company as per the latest audited standalone and consolidated financial statements of the Company as at March 31, 2022;
8. The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Act.
9. The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or public announcement of the Buyback is made;
10. The Company shall not make any offer of buy back within a period of one year reckoned from the expiry of the Buyback period i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
11. There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act;
12. The buyback shall be completed within a period of one (1) year from the date of passing of this Board resolution approving the Buyback;

T. Chaitanya



13. As required under Section 68(2)(d) of the Act and the Buyback Regulations the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share capital and free reserves after the Buyback based on the standalone and consolidated financial statements of the Company;
14. There are no defaults subsisting in the repayment of deposits accepted either before or after the commencement of the Act, interest payment thereon, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company.
15. The Company shall not directly or indirectly facilitate the Buyback:
 - through any subsidiary company including its own subsidiary company; or
 - through any investment company or group of investment companies.
16. The Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the Buyback Regulations and the Act within 7 (seven) days of the expiry of the Buyback period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buyback;
17. The consideration for the Buyback shall be paid only by way of cash;
18. That the maximum number of Equity Shares proposed to be purchased under the Buyback does not exceed 25% of the total number of Equity Shares in paid-up Equity Share capital of the Company as on the date of this meeting;
19. The Company shall not allow buyback of its shares unless the consequent reduction of its share capital is affected;
20. The Company shall not utilise any funds borrowed from banks or financial institutions in fulfilling its obligations under the buyback;
21. The Company shall not Buyback its equity shares or other specified securities so as to delist its shares or other specified securities from the stock exchange as per Regulation 4(v) of Buyback Regulations;
22. As per Regulation 24(i)(e) of the Buyback Regulations, the Promoters and members of the promoter group, and their associates be advised that they shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off-market transactions (including inter-se transfer of Equity Shares among the promoters and members of the promoter group) from the date of this resolution till the closing of the Buyback offer;
23. The statements contained in all the relevant documents in relation to the Buyback shall be true, material and factual and shall not contain any mis-statements or misleading information. The Company shall comply with the statutory and regulatory timelines in respect of the buyback in such manner as prescribed under the Companies Act and/or the Buyback Regulations and any other applicable laws;
24. The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the Equity Shares bought back through the Buyback to the Capital Redemption Reserve account;

G. Chaitanya



GRANULES INDIA LIMITED
Hyderabad

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

“RESOLVED FURTHER THAT Ms. Chaitanya Tummala, Company Secretary be and is hereby severally authorized to file necessary e-forms with the Ministry of Corporate Affairs / ROC, SEBI, stock exchanges and any other statutory authority and to do all such acts, deeds and things as may be necessary to give effect to the above resolutions.”

Compliance Officer for the purpose of Buyback

RESOLVED FURTHER THAT in terms of the Buyback Regulations, Ms. Chaitanya Tummala, Company Secretary and Compliance Officer, be and is hereby appointed as the Compliance Officer for the Buyback.

CERTIFIED TRUE COPY

FOR GRANULES INDIA LIMITED

Chaitanya Tummala
CHAITANYA TUMMALA
COMPANY SECRETARY

