

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder of J.B. Chemicals & Pharmaceuticals Limited (the “Company”) as on the Record Date in accordance with Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended (the “Buy-back Regulations”). If you require any clarification about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buy-back i.e. Vivro Financial Services Private Limited or the Registrar to the Buy-back i.e. Link Intime India Private Limited. Please refer to the section on “Definitions of Key Terms” on page 2 of this DLoF for the definition of the capitalized terms used herein.



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

Registered Office: Neelam Centre, B Wing, 4th floor, Hind Cycle Road, Worli, Mumbai 400 030, Maharashtra, India.

Corporate Office: Cnergy IT Park, Unit A2, 3rd floor & Unit A, 8th floor, Appa Saheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India.

Corporate Identity Number (CIN): L24390MH1976PLC019380

Phone: +91-22-2439 5200 / 2439 5500; **Fax:** +91-22-2431 5331 / 2431 5334;

Email: secretarial@jbcpl.com; **Website:** www.jbcpl.com;

Contact Person & Compliance Officer: Mr. Mayur Mehta, Company Secretary & Vice President-Compliance

Cash Offer to Buy-back up to 33,33,333 (Thirty Three Lakhs Thirty Three Thousand Three Hundred And Thirty Three) fully paid-up equity shares of the Company of face value of ₹ 2 each (“**Equity Share(s)**”) from all the shareholders holding Equity Shares / beneficial owners of Equity Shares of the Company, as on the Record Date i.e., Wednesday, September 12, 2018 (“**Record Date**”), on a proportionate basis, through the Tender Offer Route using stock exchange mechanism (“**Tender Offer**”), at a price of ₹ 390 (Rupees Three Hundred and Ninety Only) per Equity Share (“**Buy-back Price**”) for an aggregate amount not exceeding ₹ 130,00,00,000 (Rupees One Hundred and Thirty Crores Only) (“**Buy-back Size**”) excluding cost such as fees, brokerage, securities transaction tax, goods and services tax, stamp duty etc. (“**Transaction Costs**”) as per the audited standalone financial statements of the Company for the year ended on March 31, 2018 (“**Buy-back Offer**” / “**Buy-back**”). As required under the Buy-back Regulations, Equity Shares to be bought back are divided into two categories: (i) reserved category for Small Shareholders (as defined hereinafter); and (ii) general category for all other shareholders.

1. The Buy-back Offer is being undertaken in accordance with provisions of Article 190 of the Articles of Association of the Company and Section 68, Section 69 and all other applicable provisions of the Companies Act, 2013 (the “**Act**”) and applicable rules made thereunder and in compliance with the Buy-back Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), Foreign Exchange Management Act, 1999 and subject to such other approvals, permissions, sanctions and exemptions as may be required from time to time from any statutory and/ or regulatory authority.
2. The Buy-back Size of ₹ 130,00,00,000 (Rupees One Hundred and Thirty Crores Only) which represents 9.46% of the aggregate paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statement of the Company for the year ended on March 31, 2018 and is within the statutory limits applicable for the Buy-back of Equity Shares through Board approval route i.e. upto 10% (Ten percent) of the total paid-up equity share capital and free reserves (including securities premium account). The Equity Shares proposed to be bought back represent 3.99 % of the total number of paid-up Equity Shares of the Company.
3. The Letter of Offer shall be sent to the Equity Shareholder(s)/ Beneficial Owner(s) of Equity Shares as on the Record Date i.e. Wednesday, September 12, 2018
4. The procedure for tendering Equity Shares and settlement is set out in paragraph 20 on page 33 of this Draft Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the “**Tender Form**”) will be enclosed together with the Letter of Offer.
5. For mode of payment of consideration to the Eligible Shareholders, please refer to paragraph 20.27 on page 39 of this Draft Letter of Offer.
6. A copy of the Public Announcement, Draft Letter of Offer and the Letter of Offer (including the Tender Form) shall also be available on the website of Securities and Exchange Board of India www.sebi.gov.in and on Company’s website www.jbcpl.com.
7. Eligible shareholders are advised to refer to details of the Statutory Approvals and Note on Taxation in paragraph 17 on page 29 and paragraph 21 on page 40 respectively of this Draft Letter of Offer, before tendering their Equity Shares in the Buy-back.

BUY-BACK OPENS ON: [●]

BUY-BACK CLOSES ON: [●]

LAST DATE/ TIME OF RECEIPT OF COMPLETED APPLICATION FORMS AND OTHER SPECIFIED DOCUMENTS INCLUDING PHYSICAL SHARE CERTIFICATES BY THE REGISTRAR TO BUY-BACK: [●], 05:00 P.M. (IST)

MANAGER TO THE BUY-BACK

REGISTRAR TO THE BUY-BACK

VIVRO

Vivro Financial Services Private Limited

Address: 607, 608 Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai – 400 013, Maharashtra, India.

Tel.: +91 22 6666 8040 / 41 / 42 **Fax:** +91 22 6666 8047

E-mail: investors@vivro.net **Website:** www.vivro.net

Contact Person(s): Mr. Harish Patel/ Mr. Yogesh Malpani

SEBI Registration Number: INM000010122 **Validity:** Permanent

CIN: U67120GJ1996PTC029182

LINKIntime

Link Intime India Private Limited

Address: C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 22 4918 6200 **Fax:** +91 22 4918 6195

Email: jbhcem.buyback2018@linkintime.co.in;

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI Registration Number: INR000004058 **Validity:** Permanent

CIN: U67190MH1999PTC118368

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1. SCHEDULE OF ACTIVITIES

| Activity | Day , Date |
|---|-------------------------------|
| Date of the Board meeting held to approve the proposal for Buy-back of Equity Shares | Friday, August 31, 2018 |
| Date of publication of Public Announcement for the Buy-back | Monday, September 4, 2018 |
| Record Date for determining the Buy-back Entitlement and the Eligible Shareholders | Wednesday, September 12, 2018 |
| Buy-back opens on / Buy-back Opening Date | [●] |
| Buy-back closes on / Buy-back Closing Date | [●] |
| Last date of receipt of completed Tender Forms and other specified documents including physical share certificates by the Registrar to Buy-back | [●] |
| Last date of verification by Registrar to Buy-back | [●] |
| Last date of intimation to the Stock Exchange regarding acceptance or non-acceptance of tendered Equity Shares by the Registrar and Manager to the Buy-back | [●] |
| Last date of settlement of bids on the Stock Exchange | [●] |
| Last date of dispatch of share certificate(s) by Registrar to Buy-back / return of unaccepted demat shares by Stock Exchange to Seller Member / Broker | [●] |
| Last date of extinguishment of Equity Shares bought back | [●] |

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

2. DEFINITION OF KEY TERMS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or specifies otherwise, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines, policies, circulars, notifications or clarifications shall be to such legislation, Act, regulation, rules, guidelines, policies, circulars, notifications or clarifications as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the Buy-back Regulations, the Companies Act, 2013, Depositories Act, 1996, as amended and the rules and regulations made thereunder and to the extent applicable.

| Term | Description |
|---|---|
| Acceptance | Acceptance of fully paid-up Equity Shares tendered by Eligible Shareholders in the Buy-back Offer. |
| Act / Companies Act | The Companies Act, 2013 as amended from time to time and the rules and regulations made thereunder and to the extent applicable. |
| Acquisition Window | The facility for acquisition of Equity Shares through mechanism provided by the BSE in the form of a separate window in accordance with SEBI circular bearing reference no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time. |
| Additional Equity Shares | Equity Shares tendered by Eligible Shareholders over and above their respective Buy-back Entitlement and such that total number of Equity Shares tendered do not exceed the Equity Shares held on the Record Date by such Eligible Shareholders. |
| Articles of Association/AoA | Articles of Association of the Company, as amended from time to time. |
| AOP | Association of Persons |
| Board / Board of Directors/Directors | Board of Directors of the Company and shall be deemed to include any committee which the Board of Directors may constitute to exercise its powers. |
| BSE | BSE Limited |
| Buy-back or Buy-back Offer or Offer | Buy-back of up to 33,33,333 (Thirty Three Lakhs Thirty Three Thousand Three Hundred And Thirty Three) fully paid-up equity shares of the Company of face value of ₹ 2 (Rupees Two Only) each ("Equity Share(s)"), at a price of ₹ 390 (Rupees Three Hundred and Ninety Only) per equity share for an aggregate amount not exceeding ₹ 130,00,00,000 (Rupees One Hundred and Thirty Crores Only) from Eligible |

| Term | Description |
|---|--|
| | Shareholders, through the Tender Offer on a proportionate basis |
| Buy-back Entitlement or Entitlement | The number of Equity Shares that an Eligible Shareholder is entitled to tender in the Buy-back, based on the number of Equity Shares held by that Eligible Shareholder on the Record Date in the ratio of Buy-back as applicable in the category |
| Buy-back Price | Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹390 (Rupees Three Hundred and Ninety Only) per fully paid-up Equity Share, payable in cash |
| Buy-back Regulations | Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended from time to time |
| Buy-back Size | Maximum number of Equity Shares proposed to be bought back (i.e. not exceeding 33,33,333 (Thirty Three Lakhs Thirty Three Thousand Three Hundred And Thirty Three Equity Shares) multiplied by the Buy-back Price i.e. ₹ 390 (Rupees Three Hundred And Ninety Only) per Equity Share aggregating to an amount not exceeding ₹ 130,00,00,000 (Rupees One Hundred and Thirty Crores Only). |
| BOI | Body of Individuals |
| CIN | Corporate Identity Number |
| Clearing Corporation | Indian Clearing Corporation Limited |
| Company | J.B. Chemicals & Pharmaceuticals Limited |
| Company's Broker | FRR Shares and Securities Limited |
| Compliance Officer to Buy-back Offer. | Mr. Mayur Mehta, Company Secretary & Vice President-Compliance |
| Company's Demat Account | The depository account opened by the Company with Company's Broker in relation to the Buy-back. |
| Depositories | Collectively, National Securities Depository Limited and Central Depository Services (India) Limited. |
| DP | Depository Participant |
| Draft Letter of Offer / DLoF | This Draft Letter of Offer dated September 10, 2018 filed with SEBI through the Manager containing necessary disclosures in relation to the Buy-back as specified in the Buy-back Regulations |
| Designated Stock Exchange | The designated stock exchange for the Buy-back is BSE Limited. |
| DIN | Director identification number |
| Director | Director(s) of the Company |
| Eligible Shareholder(s) or Equity Shareholder(s) | All persons holding Equity Shares as on the Record Date being Wednesday, September 12, 2018 and who are eligible to participate in the Buy-back in terms of this DLoF. |
| Equity Shares | Fully paid-up equity shares of face value of ₹ 2 (Rupees Two Only) each of the Company |
| Escrow Account | The Escrow Account titled "[●]" to be opened with Escrow Agent |
| Escrow Agent | [●] |
| Escrow Agreement | The escrow agreement dated [●] entered into between the Company, Escrow Agent and Manager to the Buy-back |
| ESOS | Employee Stock Option Scheme |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time |
| FII(s) | Foreign Institutional Investor(s) |
| FPI(s) | Foreign Portfolio Investor(s) |
| Financial Year / FY | 1 st April to 31 st March |
| General Category | Category of Eligible Shareholders(s) other than the Small Shareholders |
| HUF | Hindu Undivided Family |
| IT Act / Income Tax Act | Income Tax Act, 1961, as amended from time to time |
| ICAI | The Institute of Chartered Accountants of India |
| IND AS | Indian Accounting Standards |
| IPO | Initial Public Offer |
| Letter of Offer / LoF | The Letter of Offer dated [●] to be filed with SEBI containing disclosures in relation to the Buy-back as specified in the Buy-back Regulations, including comments received from SEBI on the DLoF |
| LODR Regulations/ Listing Regulations | The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. |

| Term | Description |
|--|---|
| Manager to the Buy-back / Manager | Vivro Financial Services Private Limited |
| Non-Resident Shareholders | Equity Shareholders other than resident Equity Shareholders including Non-Resident Indians (NRI), Foreign Institutional Investors (FII), Foreign Portfolio Investors (FPI), erstwhile Overseas Corporate Bodies (OCB) and Foreign Nationals |
| NRE Account | Non-resident external account |
| NSE | National Stock Exchange of India Limited |
| Offer Period / Tendering Period / Buy-back Offer Period | Period of Ten Working Days from the Buy-back Opening Date i.e. [●] till Buy-back Closing Date i.e. [●] (both days inclusive) |
| Promoters and Promoter Group | Promoters, Promoter Group and Persons Acting in Concert including such persons as have been disclosed under filings made by the Company from time to time under Listing Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended. |
| Public Announcement / PA | Public announcement dated September 3, 2018 in relation to Buy-back was published on September 4, 2018 in Financial Express (English national daily), Jansatta (Hindi national daily) and Mumbai Lakshadeep (Regional language daily - Marathi) |
| PAN | Permanent Account Number |
| Ratio of Buy-back or Entitlement Ratio | The ratio of the Buy-back for the Equity Shares held by Eligible Shareholders as on Record Date: (i) in case of Small Shareholders (“ Reserved Category ”), [●] Equity Shares for every [●] Equity Shares; and (ii) in case of Eligible Shareholders other than Small Shareholders, [●] Equity Shares for every [●] Equity Shares |
| RBI | Reserve Bank of India |
| Record Date | The date for the purpose of determining the Buy-back Entitlement and the names of the equity shareholders to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the Buy-back in accordance with the Buy-back Regulations and in terms of the Letter of Offer. The Record Date for the Buy-back is Wednesday, September 12, 2018. |
| Registrar to the Buy-back / Registrar | Link Intime India Private Limited |
| Reserved Category | Category of the Small Shareholders eligible to tender Equity Shares in the Buy-back |
| SEBI | The Securities and Exchange Board of India |
| Shareholder Member / Seller Member / Shareholder Broker | A Stock Broker of an Eligible Shareholder, through whom the Eligible Shareholder may participate in the Buy-back |
| Small Shareholder | An Eligible Shareholder who holds shares whose market value, on the basis of closing price of shares on the recognized stock exchange, in which highest trading volume in respect of such shares is recorded on the record date, is not more than ₹ 2,00,000 (Rupees Two Lakhs). |
| Stock Exchanges/ Recognised Stock Exchanges | BSE and NSE being the stock exchanges where the Equity Shares of the Company are listed |
| Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. |
| Tender Form | Form of Acceptance-cum-Acknowledgement to be filled in by the Eligible Shareholders |
| Tender Offer | Method of Buy-back as defined in regulation 2(1)(o) read with regulation 9(3A) of the Buy-back Regulations using stock exchange mechanism |
| TRS | Transaction Registration Slip |
| U.S. | United States / United States of America |
| Working Day(s) | Any working day of SEBI |

3. DISCLAIMER CLAUSE

- 3.1. As required, a copy of this Draft Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Draft Letter of Offer to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buy-back commitments or for the correctness of the statements made or opinions expressed in this Draft Letter of Offer. The Manager to the Buy-back, i.e. Vivro Financial

Services Private Limited, has certified that the disclosures made in this Draft Letter of Offer are generally adequate and are in conformity with the provisions of the Act and Buy-back Regulations. This requirement is to facilitate Eligible Shareholders to take an informed decision for tendering their Equity Shares in the Buy-back.

- 3.2. It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Draft Letter of Offer, the Manager to the Buy-back is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose, the Manager to the Buy-back, has furnished to SEBI a Due Diligence Certificate dated September 10, 2018 in accordance with Buy-back Regulations, which reads as follows:

“We have examined various documents and materials relevant to the Buy-back as part of the due diligence carried out by us in connection with the finalization of the Public Announcement dated September 3, 2018 and the Draft Letter of Offer dated September 10, 2018. On the basis of such examination and the discussions with the Company, we hereby state that:

- The Public Announcement and the DLoF are in conformity with the documents, materials and papers relevant to the Buy-back;
- All the legal requirements connected with the said Buy-back including the SEBI (Buy-Back of Securities) Regulations, 1998, as amended, have been duly complied with;
- The disclosures in the Public Announcement and the DLoF are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned Buy-back;
- Funds used for Buy-back shall be as per the provisions of the Companies Act, 2013.”

- 3.3. The filing of Draft Letter of Offer with SEBI does not, however, absolve the Company from any liabilities under the provisions of the Act, or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Buy-back.

- 3.4. The Promoters and Directors declare and confirm that no information or material likely to have a bearing on the decision of Eligible Shareholders has been suppressed, withheld and/ or incorporated in the manner that would amount to mis-statement or misrepresentation and in the event of it transpiring at any point of time that any information or material has been suppressed, withheld and / or amounts to a mis-statement or misrepresentation, the Promoters and Directors and the Company shall be liable for penalty in terms of the provisions of the Act and the Buy-back Regulations.

- 3.5. The Promoters and Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buy-back.

- 3.6. **NO OFFER TO SUBSCRIBE / PURCHASE / SELL, OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL, ANY SECURITIES OF THE COMPANY OR AS A SOLICITATION OR AN INVITATION TO SUBSCRIBE / PURCHASE / SELL ANY SECURITIES OF THE COMPANY INCLUDING THE EQUITY SHARES IS MADE IN A JURISDICTION, OTHER THAN INDIA, WHERE IT IS ILLEGAL, OR ANY ACTION OR APPROVAL IS REQUIRED, TO MAKE THIS BUY-BACK**

- a) The Public Announcement that was published on September 4, 2018 and this Draft Letter of Offer in connection with this Buy-back, has been prepared for the purposes of compliance with the regulations of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended from time to time. Accordingly, the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. The Company and the Manager to the Buy-back are under no obligation to update the information contained herein at any time after the date of the Letter of Offer. This Draft Letter of Offer does not in any way constitute an offer in any form, or an invitation in any form to subscribe / purchase / sell, any securities of the Company in any jurisdiction (other than India) or as a solicitation or an invitation in any form to subscribe / purchase / sell any securities including the Equity Shares of the Company.
- b) **Disclaimer for US Persons:** The information contained in this Draft Letter of Offer is exclusively intended for persons who are not U.S. Persons, as such term is defined in Regulation S of the U.S. Securities Act of 1933, as amended, and who are not physically present in the United States of America. This Draft Letter of Offer does not in any way constitute an offer to sell, or an invitation to sell, any securities in the United States of America or in any other jurisdiction in which such offer or invitation is

not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions.

- c) **Disclaimer for Persons in other foreign countries:** This Draft Letter of Offer does not in any way constitute an offer to sell, 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 it is unlawful to make such offer or solicitation. Potential users of the information contained in this Draft Letter of Offer are requested to inform themselves about and to observe any such restrictions
- d) No action has been or will be taken by the Company or Manager to the Buy-back to permit the Buy-back in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all Equity Shareholders whose names appear in the register of member of the Company, on the Record Date. However, receipt of the Letter of Offer by any Eligible Shareholder in a jurisdiction in which it would be illegal to make this Buy-back, or where making this Buy-back would require any action to be taken (including, but not restricted to, registration of this Draft Letter of Offer under any local securities laws of any jurisdiction outside of India), shall not be treated by such Eligible Shareholder as an offer or invitation to offer being made to them and shall be construed by them as being sent for information purposes only.
- e) Persons in possession of the Letter of Offer are required to inform themselves of any relevant restrictions in their respective jurisdictions. Any Eligible Shareholder who tenders his, her or its Equity Shares in the Buy-back shall be deemed to have declared, represented, warranted and agreed that he / she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in the Buy-back.

4. TEXT OF THE RESOLUTION PASSED AT THE BOARD MEETING

- 4.1. The Buy-back through Tender Offer was considered and approved by the Board of Directors of the Company at their meeting held on August 31, 2018. The extract of the resolution of the Board is as follows:

“RESOLVED THAT pursuant to provisions of Article 190 of the Articles of Association of the Company and the provisions of Sections 68, 69 and all other applicable provisions of the Companies Act, 2013 (**“the Act”**) and applicable rules made there under and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended from time to time (**“Buy-back Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulation”**) and subject to such approvals, permissions and consents as may be necessary, and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and consents, which may be agreed to by the Board of Directors of the Company, (herein referred to as the **“Board”**, which term shall include any committee which the Board may constitute to exercise its powers), consent of the Board of Directors be and is hereby accorded for buy-back of its fully paid-up equity shares of face value of Rs. 2/- each (**“Equity Share(s)”**) up to 33,33,333 Equity Shares (representing 3.99% of the total paid-up equity shares of the Company) at a price of Rs. 390/- (Rupees Three Hundred and Ninety only) (**“Buy-back Price”**) per Equity Share payable in cash for a total consideration not exceeding Rs. 130 crores (Rupees One Hundred Thirty Crores only), excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. (**“Transaction Costs”**) (hereinafter referred to as **“Buy-back Size”**), which is not exceeding 10% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statement of the Company for the financial year ended on March 31, 2018, through the **“Tender Offer”** route as prescribed under the Buy-back Regulations (the process is hereinafter referred as **“Buy-back”**), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company including promoters, members of promoter group and persons acting in concert, as on the Record Date, it being understood that the “promoter”, “promoter group” and “persons acting in concert” will be such persons as have been disclosed under the shareholding pattern filings made from time to time under the Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

RESOLVED FURTHER THAT the Board of Directors hereby fixes Wednesday, September 12, 2018 as the Record Date for the purpose of determining the entitlement and the names of the Equity Shareholders who are eligible to participate in the Buy-back of Equity Shares of the Company (“**Record Date**”).

RESOLVED FURTHER THAT 15% (fifteen percent) of the total number of Equity Shares which the Company proposes to buy-back or the number of Equity Shares entitled as per their shareholding as on the Record Date, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buy-back Regulations.

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

RESOLVED FURTHER THAT the Company shall earmark adequate sources of funds for the Buy-back and the amount required by the Company for the Buy-back is intended to be met out of the Company’s balances in free reserves, current surplus and/or cash and cash equivalents and/or internal accruals and/or liquid resources and/or such other permissible sources of funds (and not from any borrowed funds) of the Company, as per the Act and the Buy-back Regulations.

RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buy-back 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 SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time and the Company shall approach the **BSE Limited** for facilitating the same.

RESOLVED FURTHER THAT the Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations.

RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buy-back Regulations, Mr. Mayur Mehta, Company Secretary and Vice President-Compliance, be and is hereby appointed as the Compliance Officer for the proposed Buy-back and Link Intime India Private Ltd., Registrar to the Buy-back offer, is appointed as the Investor Service Centre.

RESOLVED FURTHER THAT the Board of Directors hereby confirms that –

- i. All the Equity Shares of the Company are fully paid-up;
- ii. The aggregate consideration for the Buy-back is not exceeding Rs. 130 crores (Rupees One Hundred and Thirty Crores only) and does not exceed 10% of the aggregate of the fully paid-up equity share capital and free reserves (including security premium account) as per the audited standalone financial statement of the Company for the year ended on March 31, 2018 and the maximum number of Equity Shares proposed to be bought back under the Buy-back i.e. 33,33,333 Equity Shares does not exceed 25% of the total number of equity shares in the paid-up equity share capital of the Company;
- iii. The Company shall not issue any equity shares or other specified securities including by way of bonus till the date of closure of the Buy-back except in discharge of subsisting obligations such as stock option schemes, sweat equity, as may be permitted under the relevant regulations and applicable law;
- iv. The Company shall not raise further capital for a period of one year from the closure of the Buy-back, 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;
- v. The Company shall not Buy-back any locked-in Equity Shares and non-transferable Equity Shares, if any, till the pendency of the lock-in or till the Equity Shares become transferable;
- vi. The Company shall not Buy-back its Equity Shares from any person through negotiated deal whether on or off the Stock Exchange(s) or through spot transactions or through any private arrangement;

- vii. The Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- viii. The Company has not undertaken a Buy-back of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- ix. There is no default of the nature specified in Section 70(1)(c) of the Act;
- x. The ratio of the aggregate of secured and unsecured debts owned by the Company immediately after the Buy-back shall not exceed the ratio (2:1) as prescribed under Section 68 of the Act;
- xi. No scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act is pending as on the date of this meeting;
- xii. The Company will not withdraw the Buy-back after the Public Announcement of the Buy-back is made by the Company;
- xiii. The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act.

RESOLVED FURTHER THAT nothing contained herein above 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 buy-back any Equity Share, and / or impair any power of the Company or the Board to terminate any process in relation to such Buy-back as permissible by law.

RESOLVED FURTHER THAT the approval of the Board be and is hereby accorded for the confirmation of appointment of Vivro Financial Services Private Limited as Manager to the Buy-back.

RESOLVED FURTHER THAT Mr. Jyotindra B Mody (DIN: 00034851) - Chairman & Managing Director, Mr. Dinesh B. Mody (DIN: 00034992) - Whole time director (Administration), Mr. Shirish B. Mody (DIN:00035051) - Whole time director (Marketing), Mr. Bharat P. Mehta (DIN: 00035444) - Whole time director (Planning & Development), Mr. Pranabh Mody (DIN: 00035505) – President & Whole time director (Operations) of the Company and Mr. Mayur Mehta, Company Secretary and Compliance Officer of the Company, be and are hereby jointly and/or severally authorized to finalise and make necessary changes as may be required and sign and issue the Public Announcement, Draft Letter of Offer, Letter of Offer and Post Buy-back Announcement and addendum/corrigendum thereto, all relevant forms, returns, documents, applications, consents, undertakings, declarations, confirmations and such other documents and to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buy-back.

RESOLVED FURTHER THAT the common seal of the Company, if required be affixed on such documents in the presence of any director and duly countersigned by the Company Secretary.

RESOLVED FURTHER THAT the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- a) Immediately following the date of this Board Meeting at which the Buy-back of the Company's Equity Shares is approved, there will be no grounds on which the Company could be found unable to pay its debts; and
- b) That as regards the Company's prospects for the year immediately following the date of this Board Meeting held to approve the Buy-back and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting; and
- c) In forming its opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 (including prospective and contingent liabilities).

RESOLVED FURTHER THAT in terms of Section 68(6) of the Act read with Regulation 8(7) of the Buy-back Regulations, the drafts of the declaration of solvency prepared in the prescribed form and supporting

affidavit, the statement of assets and liabilities in the prescribed form SH-9 as at March 31, 2018, as placed before the Board, be and are hereby approved and Mr. Jyotindra B Mody (DIN: 00034851) - Chairman & Managing Director, and any one of Mr. Dinesh B. Mody (DIN: 00034992) - Whole time director (Administration), Mr. Shirish B. Mody (DIN:00035051) - Whole time director (Marketing), Mr. Bharat P. Mehta (DIN: 00035444) - Whole time director (Planning & Development) and Mr. Pranabh Mody (DIN: 00035505) – President & Whole time director (Operations) of the Company be and are hereby authorized to sign the same for and on behalf of the Board, and Mr. Mayur Mehta, Company Secretary and Compliance Officer, be and is hereby authorised to file the same with the Registrar of Companies, Maharashtra, Mumbai, (“ROC”) and the Securities Exchange Board of India or any such other concerned authorities, as may be necessary in accordance with applicable laws.

RESOLVED FURTHER THAT Mr. Jyotindra B Mody (DIN: 00034851) - Chairman & Managing Director, Mr. Dinesh B. Mody (DIN: 00034992) - Whole time director (Administration), Mr. Shirish B. Mody (DIN:00035051) - Whole time director (Marketing), Mr. Bharat P. Mehta (DIN: 00035444)- Whole time director (Planning & Development), Mr. Pranabh Mody (DIN: 00035505) – President & Whole time director (Operations) of the Company and Mr. Mayur Mehta, Company Secretary and Compliance Officer, be and are hereby jointly and/or severally authorized to:

1. appoint Buy-back broker, registrar to the Buy-back offer advertisement agency, printers, escrow agents and such other persons/consultants for the Buy-back as may be required or deemed fit;
2. fix up the remuneration including commission, brokerage, fees, charges etc. and terms & conditions for the appointments referred to in point 1 above;
3. fix entitlement ratio in accordance with the Buy-back Regulations for the eligible shareholders from whom the buy-back of Equity Shares shall be made;
4. approve / file the final public announcement, draft letter of offer and final letter of offer, filing of declaration of solvency, certificate of extinguishment of equity shares and extinguishment of equity shares in dematerialized form and also physical destruction of share certificates and all other documents / acts required to be filed / done in connection with the Buy-back offer with SEBI, stock exchange, ROC, National Securities Depository Limited, Central Depository Services (India) Limited, together referred as (“Depositories”) and other appropriate authorities;;
5. make all the applications to the appropriate authorities for their requisite approvals;
6. open, operate and close all the necessary accounts such as broking account, escrow account, special account(s) and any other bank account(s) and depository account for the purpose of the Buy-back offer and authorize persons to operate the said accounts;
7. arrange for bank guarantee and/or cash deposits and/or marketable securities as may be necessary for the Buy-back offer in accordance with applicable laws;
8. decide source of funds for paying the consideration to the equity shareholders who have tendered their equity shares in the Buy-back offer;
9. make any alteration(s), modification(s), to the terms and conditions of the Buy-back offer in accordance with the statutory requirements and as it may deem necessary;
10. delegate all or any of the powers, rights or authorities conferred above to any officer(s) / authorized representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be felt necessary or as may be suggested by the appropriate authorities or advisors;
11. settle any question or difficulty that may arise with regard to the aforesaid purpose and which they may deem fit in the interest of the Company; and
12. do and perform all such acts, matters, deeds and things as they may in their absolute discretion deem necessary or desirable for the purpose of Buy-back in the best interest of the Company.”

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

In accordance with the provisions of regulation 8(1) of the Buy-back Regulations, the Company has made a Public Announcement dated September 3, 2018 in relation to the Buy-back which was published on September 4, 2018* in the following newspapers, within two Working Days from the date of Board Meeting held to approve the Buy-Back i.e. August 31, 2018:

| Name of the Newspaper | Language | Editions |
|-----------------------|----------|------------------|
| Financial Express* | English | All Editions |
| Jansatta* | Hindi | All Editions |
| Mumbai Lakshadeep | Marathi | Regional Edition |

(A copy of the Public Announcement is available on the SEBI website at www.sebi.gov.in)

* The PA was published on September 5, 2018 in Ahmedabad and Lucknow Edition due to non-publication of the newspaper on September 4, 2018 on account of Krishna Janmashtami holiday.

6. DETAILS OF THE BUY-BACK

- 6.1 The Board of Directors of J.B. Chemicals & Pharmaceuticals Limited at their meeting held on August 31, 2018, pursuant to the provisions of Article 190 of the Articles of Association of the Company and Section 68, Section 69 and all other applicable provisions of the Companies Act, 2013 (the “Act”) and applicable rules made thereunder and in compliance with the Buy-back Regulations, Listing Regulations, Foreign Exchange Management Act, 1999 and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board or any person authorised by the Board, approved the Buy-back upto 33,33,333 (Thirty Three Lakhs Thirty Three Thousand Three Hundred And Thirty Three) fully paid up Equity Shares of face value of ₹ 2 each, representing 3.99% of total paid-up equity shares of the Company at a price of ₹ 390 (Rupees Three Hundred And Ninety Only) per Equity Share, payable in cash for an aggregate amount not exceeding ₹ 130,00,00,000 (Rupees One Hundred and Thirty Crores only), excluding Transaction Cost which represents 9.46% of the fully paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements of the Company as on March 31, 2018, on a proportionate basis through the tender offer route using stock exchange mechanisms as prescribed under the Buy-back Regulations, from all the equity shareholders/ beneficial owners of the Equity Shares of the Company including Promoters, members of Promoter group and Persons Acting in Concert of the Company who hold Equity Shares as on the record date i.e. Wednesday, September 12, 2018 (“Record Date”). It is being understood that the Promoter, Promoter Group and Persons Acting in Concert will be such persons as have been disclosed under the shareholding pattern filings made by the Company from time to time under Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. The Buy-back Size does not include any other expenses incurred or to be incurred for the Buy-back such as filing fees payable to SEBI, fees and charges payable to Stock Exchanges, advisors fees, Public Announcement publication expenses, printing and dispatch expenses, and other incidental and related expenses.
- 6.2 The Buy-back shall be undertaken on a proportionate basis from the Eligible Shareholders as on the Record Date through the Tender Offer route as prescribed under Regulation 4(1)(a) of the Buy-back Regulations. Additionally, the Buy-back shall be, subject to applicable laws, facilitated by tendering of Equity Shares by such Eligible Shareholders and settlement of the same, through the Stock Exchange Mechanism as specified by SEBI in Circular Number CIR/CFD/POLICY CELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time (the “SEBI Circulars”).
- 6.3 As on date of Board Meeting approving Buy-back, the Promoters and Promoter Group are holding 4,66,56,278 Equity Shares of the Company representing 55.83% of the existing paid up equity share capital of the Company.
- 6.4 In terms of Buy-back Regulations, under the Tender Offer route, Promoters and Promoter Group have an option to participate in the Buy-back. In this regard, the details of the Promoters and Promoter Group who have expressed their intention to participate and details of their maximum participation in the Buy-back have been given in paragraph 9.2 hereinafter. The Promoters are already having control over the affairs of the Company and therefore any further change (increase/decrease) in their voting rights, if any consequent to Buy-back of Equity Shares, will not result in any change in control over the Company and shall be in compliance with the provisions of Takeover Regulations. For details with respect to aggregate shareholding of

Promoters and Promoter Group post Buy-back please refer paragraph 13 (Capital Structure and Shareholding Pattern) in this regard.

- 6.5 The aggregate paid-up share capital and free reserves (including securities premium account) of the Company as on March 31, 2018 based on audited standalone financials is ₹ 1374.90 Crores. In accordance with section 68 (2) of the Act, the Board of Directors of a company can authorize the buy-back of Equity Shares involving payment of consideration not exceeding 10% of the total paid up equity share capital and free reserves (including securities premium account) of the company. Accordingly, the Company proposes to utilize an amount not exceeding ₹ 130 Crores for the proposed Buy-back representing 9.46% of the total paid up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements of the Company as on March 31, 2018 which is within the power of the Board.
- 6.6 Further, under the Act, the number of Equity Shares that can be bought back during a financial year shall not exceed 25% of the number Equity Shares of the Company. Accordingly, the number of Equity Shares that can be bought back during a financial year cannot exceed 2,08,92,493 Equity Shares, being 25% of the number Equity Shares of the Company, i.e., 8,35,69,975 Equity Shares. Since the Company proposes to Buy-back up to 33,33,333 Equity Shares, the same is within the aforesaid limit.
- 6.7 The tender of Equity Shares in Buy-back may be subject to taxation in India and in the country of residence of the Eligible Shareholder(s). In due course, Eligible Shareholder(s) will receive a Letter of Offer, which will contain a more detailed note on taxation. However, in view of the particularized nature of tax consequences, Eligible 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.
- 6.8 Further, Post Buy-back assuming the full acceptance of Equity Shares tendered in the Buy-back by Eligible Shareholders, the level of holding of Public shareholders in the Company shall not fall below the minimum level of public shareholding required to be maintained under regulation 38 of Listing Regulations and in terms of Securities Contract (Regulation) Rules, 1957(“SCRR”).

7. AUTHORITY FOR THE BUY-BACK

- 7.1. The Buy-back is being undertaken by the Company in accordance with the provisions of Article 190 of the Articles of Association of the Company and Section 68, Section 69 and all other applicable provisions of the Act and applicable rules made thereunder and in compliance with the Listing Regulations, Foreign Exchange Management Act, 1999 and in compliance with the Buy-back Regulations and in terms of resolution passed by the Board at its meeting held on August 31, 2018.
- 7.2. The Buy-back is further subject to approvals, permissions and sanctions as may be necessary, from time to time from statutory, regulatory or governmental authorities as required under applicable laws, including but not limited to SEBI and the Stock Exchanges.

8. NECESSITY OF THE BUY-BACK

The Buy-back is being undertaken by the Company to partly return surplus funds to the equity shareholders of the Company. Additionally, the Buy-back is being undertaken for the following reasons:

- i. The Buy-back will help the Company to distribute surplus funds to its shareholders holding Equity Shares broadly in proportion to their shareholding, thereby, enhancing the overall return to the shareholders;
- ii. The Buy-back, which is being implemented through the Tender Offer as prescribed under the Buy-back Regulations, would involve a reservation of 15% of the Buy-back Size for small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as “Small Shareholders” as defined under Regulation 2(1a) of the Buy-back Regulations;
- iii. The Buy-back may help in improving financial ratios like earnings per share, return on assets and return on equity calculated on the basis of financial statements, by reducing the equity base of the Company; and
- iv. The Buy-back gives an option to the Eligible Shareholders to either choose to participate in the Buy-back and receive cash in lieu of their Equity Shares which are accepted under the Buy-back or choose not to participate in the Buy-back and get a resultant increase in their percentage shareholding in the Company post the Buy-back, without additional investment.

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

- 9.1. The Company believes that the Buy-back is not likely to cause any material impact on the profitability / earnings of the Company except to the extent of reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming that the response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion of their respective Buy-back Entitlement, the funds deployed by the Company towards the Buy-back would be ₹ 130 Crores excluding Transaction Costs.
- 9.2. In terms of the Buy-back Regulations, under the Tender Offer, the Promoters and Promoter Group have an option to participate in the Buy-back and the Promoters and Promoter Group have expressed their intention to participate in the Buy-back up to 28,36,992 Equity shares which is as follows:

| Sr. No. | Name | No. of shares held as on the date of Board Meeting | Maximum No. of shares proposed to be tendered |
|---------|--|--|---|
| 1. | Jyotindra Bhagwanlal Mody | 53,00,518 | 2,66,000 |
| 2. | Dinesh Bhagwanlal Mody | 46,75,950 | 2,34,000 |
| 3. | Shirish Bhagwanlal Mody | 49,89,120 | 2,50,000 |
| 4. | Kumud Dinesh Mody | 47,75,627 | 2,39,000 |
| 5. | Bharati Shirish Mody | 48,97,050 | 2,45,000 |
| 6. | Pallavi Bharat Mehta | 51,32,089 | 2,57,000 |
| 7. | Pranabh Dinesh Mody | 48,74,523 | 2,44,000 |
| 8. | P D Mody (Held For P D Mody HUF) | 6,907 | 350 |
| 9. | Sejal Pranabh Mody | 49,336 | 2,500 |
| 10. | Nirav Shirish Mody | 49,18,735 | 2,46,000 |
| 11. | Jinali Pranabh Mody | 2,961 | 150 |
| 12. | Purvi Uday Asher | 3,70,017 | 18,500 |
| 13. | Jay Bharat Mehta | 24,25,936 | 1,22,000 |
| 14. | Priti Rajen Shah | 9,868 | 500 |
| 15. | Bharat P Mehta | 26,22,046 | 1,32,000 |
| 16. | Pallavi Bharat Mehta (Held For Mody Trading Co.) | 52,775 | 2,675 |
| 17. | Jyotindra B Mody (Held For Mody Bros.) | 18,871 | 950 |
| 18. | Nirav Shirish Mody (As A Trustee of Priti Family Trust) | 2,22,010 | 11,100 |
| 19. | Nirav Shirish Mody (As A Trustee of Deepali Family Trust) | 2,22,010 | 11,100 |
| 20. | Synit Drugs Pvt Ltd | 741 | 741 |
| 21. | Dinesh Bhagwanlal Mody (Held For D B Mody HUF) | 4,95,823 | 25,000 |
| 22. | Uday Madhavdas Asher | 1,33,207 | 1,33,207 |
| 23. | Namplas Chemicals Pvt Ltd | 1,21,474 | 1,21,474 |
| 24. | Boxcare Packagings Pvt. Ltd. | 8,830 | 8,830 |
| 25. | Nitin Doshi | 2,61,115 | 2,61,115 |
| 26. | Vibha Anupam Mehta | 1,500 | 1,500 |
| 27. | Anupam Pravinchandra Mehta | 1,500 | 1,500 |
| 28. | Jay Bharat Mehta (Held For Pallavi Bharat Mehta Family Foundation) | 15,000 | 800 |
| | TOTAL | 4,66,05,539 | 28,36,992 |

- 9.3. Details of the date and price of acquisition of the Equity Shares that the Promoters and Promoter Group intend to tender are set-out below:

Note: On April 13, 2005, Equity Shares of face value of ₹ 10 each have been sub-divided into Equity Shares of face value of ₹ 2 each. All the shares shown below have been adjusted to face value of ₹ 2.

(#) December 15, 2000: Scheme of arrangement between Ifiunik Pharmaceuticals Ltd, Unique Pharmaceutical Laboratories Ltd and the Company.

(\$) May 7, 2015: Scheme of Amalgamation and Arrangement between Jyotindra Mody Holdings Pvt. Ltd., Ansuya Mody Securities Pvt. Ltd., Dinesh Mody Securities Pvt. Ltd., Kumud Mody Securities Pvt. Ltd., Shirish B. Mody Investments Pvt. Ltd., Bharati S. Mody Investments Pvt. Ltd. and the Company.

1) Jyotindra Bhagwanlal Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| August 16, 1993 | Market Purchase | 18,613 | 2.00 | 55.08 | 10,25,204.04 |
| December 1, 1993 | Bonus issue | 44,750 | 2.00 | Nil | Nil |
| August 11, 1994 | Market Purchase | 5,000 | 2.00 | 54.66 | 2,73,300.00 |
| June 27, 1995 | Market Purchase | 1,500 | 2.00 | 56.58 | 84,870.00 |
| August 9, 1995 | Market Purchase | 1,500 | 2.00 | 43.43 | 65,145.00 |
| January 5, 1996 | Market Purchase | 500 | 2.00 | 37.55 | 18,775.00 |
| February 28, 1996 | Market Purchase | 500 | 2.00 | 37.55 | 18,775.00 |
| July 13, 1998 | Market Purchase | 17,500 | 2.00 | 28.25 | 4,94,375.00 |
| December 1, 1998 | Bonus issue | 1,61,250 | 2.00 | Nil | Nil |
| August 22, 2000 | Market Purchase | 14,887 | 2.00 | 22.02 | 3,27,811.74 |
| | Total | 2,66,000 | | | |

2) Dinesh Bhagwanlal Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|--|----------------------|----------------|---|-------------------------|
| May 7, 2015 | Allotment of shares under the Scheme of Arrangement (\$) | 2,34,000 | 2.00 | Nil | Nil |
| | Total | 2,34,000 | | | |

3) Shirish Bhagwanlal Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|--|----------------------|----------------|---|-------------------------|
| October 4, 2000 | Market Purchase | 6,298 | 2.00 | 20.22 | 1,27,345.56 |
| October 10, 2000 | Market Purchase | 4,445 | 2.00 | 20.42 | 90,766.90 |
| October 11, 2000 | Market Purchase | 4,000 | 2.00 | 20.42 | 81,680.00 |
| October 12, 2000 | Market Purchase | 10,185 | 2.00 | 20.42 | 2,07,977.70 |
| October 13, 2000 | Market Purchase | 1,500 | 2.00 | 20.42 | 30,630.00 |
| October 17, 2000 | Market Purchase | 8,345 | 2.00 | 20.42 | 1,70,404.90 |
| October 18, 2000 | Market Purchase | 4,200 | 2.00 | 20.42 | 85,764.00 |
| October 19, 2000 | Market Purchase | 500 | 2.00 | 20.62 | 10,310.00 |
| October 20, 2000 | Market Purchase | 1,250 | 2.00 | 20.62 | 25,775.00 |
| October 24, 2000 | Market Purchase | 11,675 | 2.00 | 20.82 | 2,43,073.50 |
| October 27, 2000 | Market Purchase | 1,000 | 2.00 | 22.21 | 22,210.00 |
| October 31, 2000 | Market Purchase | 1,500 | 2.00 | 20.62 | 30,930.00 |
| November 2, 2000 | Market Purchase | 7,185 | 2.00 | 22.37 | 1,60,728.45 |
| November 3, 2000 | Market Purchase | 500 | 2.00 | 24.07 | 12,035.00 |
| November 21, 2000 | Market Purchase | 1,650 | 2.00 | 25.02 | 41,283.00 |
| December 15, 2000 | Allotment of shares under the Scheme of Arrangement(#) | 94,125 | 2.00 | Nil | Nil |
| November 15, 2002 | Market Purchase | 2,000 | 2.00 | 25.88 | 51,760.00 |
| May 7, 2015 | Allotment of shares under the Scheme | 89,642 | 2.00 | Nil | Nil |

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| | of Arrangement(\$) | | | | |
| | Total | 2,50,000 | | | |

4) Kumud Dinesh Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| December 15, 2000 | Allotment of shares under the Scheme of Arrangement(#) | 40,548 | 2.00 | Nil | Nil |
| May 7, 2015 | Allotment of shares under the Scheme of Arrangement(\$) | 1,98,452 | 2.00 | Nil | Nil |
| | Total | 2,39,000 | | | |

5) Bharati Shirish Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| December 15, 2000 | Allotment of shares under the Scheme of Arrangement(#) | 75,463 | 2.00 | Nil | Nil |
| September 13, 2006 | Gift received | 7,020 | 2.00 | Nil | Nil |
| June 25, 2009 | Gift received | 5,220 | 2.00 | Nil | Nil |
| May 7, 2015 | Allotment of shares under the Scheme of Arrangement(\$) | 1,57,297 | 2.00 | Nil | Nil |
| | Total | 2,45,000 | | | |

6) Pallavi Bharat Mehta

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|--|----------------------|----------------|---|-------------------------|
| December 1, 1998 | Bonus issue | 32,772 | 2.00 | Nil | Nil |
| December 15, 2000 | Allotment of shares under the Scheme of Arrangement(#) | 2,24,228 | 2.00 | Nil | Nil |
| | Total | 2,57,000 | | | |

7) Pranabh Dinesh Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| December 1, 1998 | Bonus issue | 23,801 | 2.00 | Nil | Nil |
| December 15, 2000 | Allotment of shares | 81,875 | 2.00 | Nil | Nil |

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| | under the Scheme of Arrangement(#) | | | | |
| April 30, 2001 | Market Purchase | 6,000 | 2.00 | 16.57 | 99,420.00 |
| May 7, 2015 | Allotment of shares under the Scheme of Arrangement(\$) | 1,32,324 | 2.00 | Nil | Nil |
| | Total | 2,44,000 | | | |

8) P D Mody (held for P D Mody HUF)

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| August 24, 1997 | Market Purchase | 350 | 2.00 | 22.50 | 7,875.00 |
| | Total | 350 | | | |

9) Sejal Pranabh Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| October 3, 1996 | Rights Issue | 2,500 | 2.00 | 16.00 | 40,000.00 |
| | Total | 2,500 | | | |

10) Nirav Shirish Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| December 15, 2000 | Allotment of shares under the Scheme of arrangement(#) | 27,256 | 2.00 | Nil | Nil |
| January 13, 2005 | Gift received | 1,25,000 | 2.00 | Nil | Nil |
| May 7, 2015 | Allotment of shares under the Scheme of arrangement(\$) | 93,744 | 2.00 | Nil | Nil |
| | Total | 2,46,000 | | | |

11) Jinali Pranabh Mody

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| August 4, 1997 | Market Purchase | 150 | 2.00 | 17.48 | 2,622.00 |
| | Total | 150 | | | |

12) Purvi Uday Asher

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| October 3, 1996 | Rights Issue | 18,500 | 2.00 | 16.00 | 2,96,000.00 |
| | Total | 18,500 | | | |

13) Jay Bharat Mehta

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| May 7, 2015 | Allotment of shares under the Scheme of arrangement(\$) | 1,22,000 | 2.00 | Nil | Nil |
| | Total | 1,22,000 | | | |

14) Priti Rajen Shah

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| August 14, 2015 | Gift Received | 500 | 2.00 | Nil | Nil |
| | Total | 500 | | | |

15) Bharat P Mehta

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| October 3, 1996 | Rights issue | 10,312 | 2.00 | 16.00 | 1,64,992.00 |
| December 1, 1998 | Bonus issue | 1,21,688 | 2.00 | Nil | Nil |
| | Total | 1,32,000 | | | |

16) Pallavi Bharat Mehta (Held For Mody Trading Co.)

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| May 14, 2002 | Market Purchase | 2,675 | 2.00 | 41.06 | 1,09,835.50 |
| | Total | 2,675 | | | |

17) Jyotindra B Mody (Held for Mody Bros.)

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| May 6, 2002 | Market Purchase | 950 | 2.00 | 41.43 | 39,358.50 |
| | Total | 950 | | | |

18) Nirav Shirish Mody (as a Trustee of Priti Family Trust)

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| February 8, 2013 | Gift Received | 11,100 | 2.00 | Nil | Nil |
| | Total | 11,100 | | | |

19) Nirav Shirish Mody (as a Trustee of Deepali Family Trust)

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| February 8, 2013 | Gift Received | 11,100 | 2.00 | Nil | Nil |
| | Total | 11,100 | | | |

20) Synit Drugs Pvt Ltd

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| February 27, 2004 | Purchase | 741 | 2.00 | 62.00 | 45,942.00 |
| | Total | 741 | | | |

21) Dinesh Bhagwanlal Mody (Held for D B Mody HUF)

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|--|----------------------|----------------|---|-------------------------|
| July 1, 1983 | Allotment on acquisition of business of a partnership firm | 25,000 | 2.00 | Nil | Nil |
| | Total | 25,000 | | | |

22) Uday Madhavdas Asher

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| January 1, 1989 | Conversion of fully convertible debentures to Equity Shares | 4,132 | 2.00 | 3.00 | 12,396.00 |
| July 1, 1989 | Conversion of fully convertible debentures to Equity Shares | 5,925 | 2.00 | 3.00 | 17,775.00 |
| September 15, 1992 | Market Purchase | 750 | 2.00 | 42.00 | 31,500.00 |
| December 1, 1993 | Bonus issue | 14,550 | 2.00 | Nil | Nil |
| June 16, 1994 | Market Purchase | 1,000 | 2.00 | 65.47 | 65,470.00 |
| November 7, 1994 | Market Purchase | 2,500 | 2.00 | 76.00 | 1,90,000.00 |
| August 13, 1996 | Market Purchase | 5,000 | 2.00 | 19.80 | 99,000.00 |
| August 14, 1996 | Market Purchase | 10,500 | 2.00 | 19.70 | 2,06,850.00 |
| August 16, 1996 | Market Purchase | 12,000 | 2.00 | 19.73 | 2,36,760.00 |
| August 19, 1996 | Market Purchase | 5,000 | 2.00 | 19.60 | 98,000.00 |
| August 20, 1996 | Market Purchase | 5,500 | 2.00 | 19.53 | 1,07,415.00 |
| August 21, 1996 | Market Purchase | 2,980 | 2.00 | 19.40 | 57,812.00 |
| October 18, 1996 | Market Purchase | 1,000 | 2.00 | 14.17 | 14,170.00 |
| December 1, 1998 | Bonus issue | 62,370 | 2.00 | Nil | Nil |
| | Total | 1,33,207 | | | |

23) Namplas Chemicals Pvt Ltd

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| January 1, 1989 | Conversion of fully convertible debentures to Equity Shares | 10,864 | 2.00 | 3.00 | 32,592.00 |
| July 1, 1989 | Conversion of fully convertible debentures to Equity Shares | 20,000 | 2.00 | 3.00 | 60,000.00 |
| December 1, 1993 | Bonus issue | 16,250 | 2.00 | Nil | Nil |
| October 3, 1996 | Rights issue | 12,805 | 2.00 | 16 | 2,04,880.00 |
| December 1, 1998 | Bonus issue | 61,555 | 2.00 | Nil | Nil |
| | Total | 1,21,474 | | | |

24) Boxcare Packagings Pvt. Ltd

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|--|----------------------|----------------|---|-------------------------|
| January 16, 1986 | Subscription in IPO | 1,500 | 2.00 | 2.00 | 3,000.00 |
| January 1, 1989 | Conversion of fully convertible debentures to Equity | 750 | 2.00 | 3.00 | 2,250.00 |

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| | Shares | | | | |
| July 1, 1989 | Conversion of fully convertible debentures to Equity Shares | 250 | 2.00 | 3.00 | 750.00 |
| December 1, 1993 | Bonus issue | 1,250 | 2.00 | Nil | Nil |
| October 3, 1996 | Rights issue | 665 | 2.00 | 16.00 | 10,640.00 |
| December 1, 1998 | Bonus issue | 4,415 | 2.00 | Nil | Nil |
| | Total | 8,830 | | | |

25) Nitin Doshi

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|---|----------------------|----------------|---|-------------------------|
| January 16, 1986 | Subscription in IPO | 26,500 | 2.00 | 2.00 | 53,000.00 |
| January 1, 1989 | Conversion of fully convertible debentures to Equity Shares | 18,750 | 2.00 | 3.00 | 56,250.00 |
| July 1, 1989 | Conversion of fully convertible debentures to Equity Shares | 18,750 | 2.00 | 3.00 | 56,250.00 |
| December 1, 1993 | Bonus issue | 34,500 | 2.00 | Nil | Nil |
| October 3, 1996 | Rights issue | 27,190 | 2.00 | 16.00 | 4,35,040.00 |
| December 1, 1998 | Bonus issue | 1,30,690 | 2.00 | Nil | Nil |
| March 2, 2012 | Transmission | 4,735 | 2.00 | Nil | Nil |
| | Total | 2,61,115 | | | |

26) Vibha Anupam Mehta

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| June 9, 2011 | Market Purchase | 500 | 2.00 | 118.32 | 59,160.00 |
| June 16, 2011 | Market Purchase | 500 | 2.00 | 130.37 | 65,185.00 |
| June 17, 2011 | Market Purchase | 500 | 2.00 | 128.36 | 64,180.00 |
| | Total | 1,500 | | | |

27) Anupam Pravinchandra Mehta

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|---------------------|-----------------------|----------------------|----------------|---|-------------------------|
| June 2, 2011 | Market Purchase | 1,500 | 2.00 | 123.22 | 1,84,830.00 |
| | Total | 1,500 | | | |

28) Jay Bharat Mehta (Held for Pallavi Bharat Mehta Family Foundation)

| Date of Transaction | Nature of Transaction | No. of Equity Shares | Face Value (₹) | Issue/ Acquisition Price per Equity Share (₹) | Total Consideration (₹) |
|----------------------------|------------------------------|-----------------------------|-----------------------|--|--------------------------------|
| September 7, 2009 | Gift Received | 800 | 2.00 | Nil | Nil |
| | Total | 800 | | | |

- 9.4. Assuming the response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement, the percentage of voting rights held by Promoters and Promoter Group and public shareholders may change however, total voting rights held by Promoters and Promoter Group post Buy-back of Equity Shares will not exceed the maximum permissible non-public shareholding. The exact percentage of voting rights of Promoters and Promoter Group post Buy-back will be dependent upon the overall response to the Buy-back Process/Acceptances. Further, the Promoters of the Company are already having control over the affairs of the Company and therefore any increase/decrease in voting rights of the Promoters and Promoter Group, if any consequent to Buy-back of Equity Shares, will not result in any change in control over the Company and shall be in compliance with the provisions of Takeover Regulations.
- 9.5. The Buy-back of Equity Shares shall not affect the existing management structure of the Company.
- 9.6. Consequent to the Buy-back and depending on the number of Equity Shares bought back from the non-resident shareholders, financial institutions, banks, mutual funds and other public shareholders, the shareholding of each such person shall undergo a change and the details of such change is given in paragraph 13 hereinafter.
- 9.7. The debt-equity ratio immediately on completion of Buy-back shall be in compliance with the permissible limit of 2:1 prescribed under the Act even if the response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement.
- 9.8. The Company believes that the Buy-back is not expected to impact growth opportunities for the Company.
- 9.9. The Promoters and Promoter Group of the Company shall not deal in the Equity Shares of the Company on Stock Exchanges or off market, including by way of inter-se transfer(s) of Equity Shares among the Promoters and Promoter Group, during the period from the date of passing of the board resolution till the closing of the Buy-back.
- 9.10. The Company shall not issue any new Equity Shares or other specified securities including by way of bonus till the date of closure of the Buy-back.
- 9.11. The Company shall not raise further capital for a period of one year from the closure of the Buy-back except in discharge of its subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares.
- 9.12. Salient financial parameters consequent to the Buy-back based on the audited standalone financial statement for the financial year ended on March 31, 2018 are as under:

| Parameters | Pre Buy-back | Post Buy-back[^] |
|---|---------------------|----------------------------------|
| Net Worth (₹ in crore) | 1,453.39 | 1323.39 |
| Return on Net Worth (%) | 9.01% | 9.67% |
| Earnings Per Share (EPS) (Basic) (in ₹) | 15.24 | 15.87 |
| Book Value per share (in ₹) | 173.91 | 164.94 |
| Price / Earnings Multiple | 20.34 | 19.53 |
| Total Debt / Equity Ratio | 0.002 | 0.002 |

[^] The Net worth, Earnings per share and Book value per Equity Share has been calculated using the Net worth and Profit after Tax as on March 31, 2018 and the number of Equity Shares has been taken as on the date of the Public Announcement adjusted for the Maximum Buyback Shares.

Note:

- (1) For the above purpose, "Net Worth" means the aggregate value of the paid-up share capital and all reserves excluding reserves created out of revaluation of assets, write-back of depreciation and amalgamation, after deducting the aggregate value of the

accumulated losses, deferred expenditure and miscellaneous expenditure not written off. The post Buy-back number are calculated by reducing the net worth by the proposed Buy-back Amount (assuming full acceptance) without factoring in any impact of Profit & Loss account.

- (2) *Return on Net Worth = Profit After Tax / Average Net Worth for the period (computed as average of opening and closing Net Worth).*
- (3) *Earnings per Share = Profit After Tax / weighted average number of Equity Shares outstanding for the year.*
- (4) *EPS post Buy-back is computed after reducing 33,33,333 Equity Shares to be bought back under the Buy-back from weighted average number of Equity Shares outstanding for the year.*
- (5) *Book value per Equity Share = Net Worth / Number of Equity Shares outstanding at the end of the year.*
- (6) *PE Multiple = Closing Market price on NSE as on March 28, 2018, (being the last trading day of FY 2018)/ EPS excluding exceptional items as per latest audited financial statements i.e. March 31, 2018.*
- (7) *Total Debt / Equity Ratio = Total Debt / Net Worth.*

10. BASIS OF CALCULATING THE BUY-BACK PRICE

- 10.1. The Equity Shares are proposed to be bought back at a price of ₹ 390 per Equity Share. The Buy-back Price has been arrived at after considering various factors, including but not limited to, the volume weighted average market price of the Equity Shares of the Company on BSE and NSE where the Equity Shares of the Company are listed during 3 (three) months and 2 (two) weeks preceding the date of the Board Meeting, closing market price on the date of Board Meeting and the impact on the net worth of the Company.
- 10.2. The Buy-back Price of ₹ 390 per Equity Share represents (i) premium of 31.98 % over the volume weighted average price of the Equity Shares on the NSE (the Stock Exchange where the maximum volume of trading in the Equity Shares is recorded) for 3 (three) months preceding the date of Board Meeting held to consider the proposal of the Buy-back; (ii) premium of 18.87% over the volume weighted average price of the equity shares on the NSE for 2 (two) weeks preceding the date of Board Meeting held to consider the proposal of the Buy-back; (iii) premium of 14.76% and 14.42% over the closing market price of the Equity Shares on BSE and NSE respectively as on the date of the Board Meeting held to consider the proposal of the Buy-back..
- 10.3. The closing market price of the Equity Shares as on the date of intimation of the date of the Board Meeting for considering the Buy-back to the Stock Exchanges, i.e., on August 23, 2018 was ₹ 328.20 on BSE and ₹ 324.30 on NSE. The Buy-back Price of ₹ 390 amounts to a premium of 18.83% and 20.26% to the closing market price of the Equity Shares as on the date of intimation of the date of the Board Meeting on BSE and NSE respectively.
- 10.4. The Buy-back Price is about 224.25% of the book value per Equity Share of the Company, which is ₹ 173.91 as at March 31, 2018.
- 10.5. The EPS of the Company pre Buy-back as on March 31, 2018 is ₹ 15.24 which will increase to ₹ 15.87 post Buy-back assuming full acceptance of the Buy-back.
- 10.6. The Return of Net worth of the Company pre-Buy-back as on March 31, 2018 is 9.01% which will increase to 9.67% post Buy-back assuming full acceptance of the Buy-back.

11. SOURCES OF FUNDS FOR THE BUY-BACK

- 11.1. Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buy-back would be ₹ 130,00,00,000 (Rupees One Hundred and Thirty Crores only) excluding Transaction Costs.
- 11.2. The Buy-back will be financed out of free reserves, current surplus and / or cash and cash equivalents and / or internal accruals of the Company and / or other permissible sources of funds but not from any borrowed funds.

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

- 12.1. In accordance with regulation 10 of the Buy-back Regulations, the Company has appointed [●], as the Escrow Agent for the Buy-back. The Company, the Manager to the Buy-back and the Escrow Agent has entered into an Escrow Agreement dated [●], pursuant to which the Escrow Account in the name and style “[●]” bearing account number [●] has been opened with the Escrow Agent. The Manager will be empowered to operate the Escrow Account in accordance with the Buy-back Regulations. Further, in accordance with Regulation 10 of the Buy-back Regulations, the Company proposes to deposit 1% of Buy-back (i.e. ₹ 1.30 crores) in the Escrow Account and offer a Bank Guarantee in favour of the Manager to the Buy-back for an amount of ₹ 28 crores, calculated as a) 25% of the consideration payable upto ₹ 100 Crores; and b) 10% of the balance consideration payable in excess of ₹ 100 Crores by the Company under the Buy-back.

12.2. The Company has adequate and firm financial resources to fulfill its obligations under the Buy-back and the same has been certified vide a certificate dated September 1, 2018 by Damania & Varaiya., Chartered Accountants, having office at 14/2, Mahalaxmi Ind. Estate, D. Shivner Road, Lower Parel, Mumbai - 400 013. Maharashtra. India,

12.3. Based on the aforementioned certificate, the Manager to the Buy-back confirms that it is satisfied that the firm arrangements for fulfilling the obligations under the Buy-back are in place and that the Company has the ability to implement the Buy-back in accordance with the Buy-back Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

13.1. The Present capital structure of the Company is as follows:

| Sr. No. | Particulars | (Amount in ₹ Crores) |
|----------|--|----------------------|
| A | AUTHORISED SHARE CAPITAL | |
| | 10,15,00,000 Equity Shares of ₹ 2 each | 20.30 |
| B | ISSUED, SUBSCRIBED AND PAID-UP CAPITAL PRE BUY-BACK | |
| | 8,35,69,975 Equity Shares of ₹ 2 each | 16.71 |
| C | ISSUED, SUBSCRIBED AND PAID-UP CAPITAL POST BUY-BACK* | |
| | 8,02,36,642 Equity Shares of ₹ 2 each | 16.05 |

* Assuming full acceptance of Equity Shares in the Buy-back Offer.

13.2. Except as mentioned below, the Company has not bought-back equity shares or other specified securities in the previous three years.

| Opening Date | Closing date | Buyback Method | Nos of Equity Shares bought back | Buyback Price per Equity Share(₹) |
|--------------|---------------|----------------|----------------------------------|-----------------------------------|
| July 3, 2017 | July 14, 2017 | Tender Method | 12,50,000 | 400 |

13.3. As on date of this Draft Letter of Offer:

- there are no partly paid-up Equity Shares outstanding;
- there are no outstanding securities convertible into Equity Shares;
- there is no amount under calls in arrears; and
- no scheme of amalgamation or compromise or arrangement involving the Company is pending pursuant to any provisions of the Act.

13.4. The Company shall not issue any Equity Shares including by way of bonus, from the date of public announcement till the date of closure of this Buy-back.

13.5. The shareholding pattern of the Company (a) pre Buy-back i.e. as on August 31, 2018 and (b) the post Buy-back is as follows:

| Category of Shareholder | Pre Buy-back | | Post Buy-back* | |
|--|--------------------|------------------------------------|------------------|---|
| | Number of Shares | % to existing Equity Share capital | Number of Shares | % to post Buy-back Equity Share capital |
| Promoters and Promoter Group# | 4,66,56,278 | 55.83 | [●] | [●] |
| Foreign Investors (including Non-Resident Indians FIIs and Foreign Mutual Funds) | 51,97,281 | 6.22 | [●] | [●] |
| Financial Institutions / Banks & Mutual Funds promoted by Banks / Institutions | 86,40,708 | 10.34 | | |
| Others (Public, Public Bodies Corporate, etc.) | 2,30,75,708 | 27.61 | | |
| Total | 8,35,69,975 | 100.00 | [●] | [●] |

* Assuming response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement.

including PAC(Jay Bharat Mehta (Held For Pallavi Bharat Mehta Family Foundation)

- 13.6. Assuming response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement, the aggregate shareholding of the Promoters and Promoter Group post Buy-back may undergo a change (not exceeding maximum permissible non-public shareholding) however exact percentage of such change will depend upon the response to the Buy-back and acceptances.
- 13.7. The aggregate number of Equity Shares purchased or sold by the Promoters and Promoter Group of the Company during a period of 12 (Twelve) months preceding the date of the Public Announcement is given below:

| Name of Shareholder | Aggregate No. of Equity Shares purchased or sold | Nature of Transaction | Maximum Price (₹) | Date of Maximum Price | Minimum Price (₹) | Date of Minimum Price |
|----------------------------|--|-----------------------|-------------------|-----------------------|-------------------|-----------------------|
| Anupam Pravinchandra Mehta | 3,500 | Sale | 336.03 | December 29, 2017 | 260.00 | June 5, 2018 |
| Vibha Anupam Mehta | 5,300 | Sale | 336.27 | December 29, 2017 | 260.10 | June 5, 2018 |

14. BRIEF INFORMATION ABOUT THE COMPANY

14.1. Corporate and Business:

J. B. Chemicals & Pharmaceuticals Limited (JBCPL) was incorporated on December 18, 1976 in the State of Maharashtra under the name J.B. Mody Chemicals & Pharmaceuticals Limited. The name J.B. Mody Chemicals & Pharmaceuticals Limited was changed to J.B. Chemicals & Pharmaceuticals Limited and fresh Certificate of Incorporation consequent to change of name, dated August 21, 1985 issued by the Registrar of Companies, Maharashtra, Mumbai. The Initial Public Offer of JBCPL was in the year 1985 and the Company was consequently listed on BSE. Later, JBCPL also listed its Equity Shares on NSE.

JBCPL is engaged in manufacture and sale of pharmaceutical formulations, herbal products and active pharmaceutical ingredients. The Company has nine manufacturing facilities spread over Ankleshwar and Panoli (Gujarat State) and Daman (Union Territory). Some of the Company's facilities have been approved by International health authorities such as US FDA, MHRA UK, TGA Australia, Health Canada, MCC South Africa, MoH Ukraine and MoH Japan. JBCPL exports to many countries worldwide with presence in US, Europe, Australia, South Africa and other developing countries, Russia and CIS.

The Company is ranked 37th in domestic market in terms of Moving Annual Turnover (MAT) March 2018 (*Sources: AWACS*) and is a manufacturer of some well-known brands such as Rantac (anti-peptic ulcerant), Metrogyl (amoebicides) and Nicardia (anti-hypertensive). The Company derives about 52% of its revenue from exports. The Company's international markets include Russia-CIS, US/Canada, Australia/New Zealand, South Africa, Africa, South-East Asia, Middle East and Latin American Countries.

The Company has two operating subsidiaries namely, LLC Unique Pharmaceutical Laboratories (in Russia) and Biotech Laboratories (Pty) Ltd. (in South Africa).

The Equity Shares of the Company are listed on BSE with Scrip code – 506943/ Scrip Id: JBCHEPHARM and on NSE with symbol JBCHEPHARM.

14.2. Financial Growth:

As per audited financial statements for the financial years ended March 31, 2018, 2017 and 2016, the Company recorded total income of ₹ 1,289.99 crores, ₹ 1,244.58 crores and ₹ 1,201.09 crores respectively, and Profit after Tax for financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 of ₹128.00 crores, ₹172.96 crores and ₹176.39 crores respectively. As per Limited Review of quarterly unaudited standalone financial results for June 30, 2018 the Company recorded total income of ₹ 367.09 crores and Profit after Tax of ₹ 42.07 crores respectively.

14.3. Capital Built up:

The details of changes in the equity share capital of the Company since its incorporation are as follows:

| Date of Allotment | No. of Equity Shares | Face Value per Equity Share(₹) | Issue Price per equity share (₹) | Reasons for Allotment | Consideration | Cumulative Capital (No. of Equity Shares) |
|--------------------|----------------------|--------------------------------|----------------------------------|--|---------------|---|
| December 20, 1976 | 160 | 100 | 100 | Subscriber to the Memorandum and Articles of Association | Cash | 160 |
| April 21, 1979 | 80 | 100 | 100 | Preferential Allotment | Cash | 240 |
| July 1, 1983 | 2,000 | 100 | - | Allotment upon acquisition of business of Partnership firm of J.B. Mody & Brothers | - | 2,240 |
| June 28, 1985 | 155,380 | 100 | - | Scheme of Amalgamation* | - | 157,620 |
| July 12, 1985 | - | 10 | - | Share Split | - | 1,576,200 |
| January 16, 1986 | 1,423,800 | 10 | 10 | IPO | Cash | 3,000,000 |
| January 1, 1989 | 517,500 | 10 | 15 | Fully Convertible Debenture (FCD) Conversion | Cash | 3,517,500 |
| July 1, 1989 | 517,500 | 10 | 15 | FCD Conversion | Cash | 4,035,000 |
| December 1, 1993 | 2,017,500 | 10 | - | Bonus Issue (1:2) | - | 6,052,500 |
| October 3, 1996 | 1,210,500 | 10 | 80 | Rights Issue (1:5) | Cash | 7,263,000 |
| December 1, 1998 | 7,263,000 | 10 | - | Bonus Issue (1:1) | - | 14,526,000 |
| December 15, 2000 | 1,533,000 | 10 | - | Scheme of Arrangement ^{\$} | - | 16,059,000 |
| April 13, 2005 | - | 2 | - | Share Split | - | 80,295,000 |
| July 28, 2005 | 31,125 | 2 | 63 | ESOS | Cash | 80,326,125 |
| November 24, 2005 | 15,775 | 2 | 63 | ESOS | Cash | 80,341,900 |
| March 21, 2006 | 26,275 | 2 | 63 | ESOS | Cash | 80,368,175 |
| April 12, 2006 | 3,900,000 | 2 | 114 | Preferential Allotment | Cash | 84,268,175 |
| August 25, 2006 | 31,250 | 2 | 63 | ESOS | Cash | 84,299,425 |
| January 15, 2007 | 20,000 | 2 | 63 | ESOS | Cash | 84,326,350 |
| | 6,925 | | 84 | | | |
| April 27, 2010 | 26,350 | 2 | 63 | ESOS | Cash | 84,352,700 |
| May 10, 2010 | 16,425 | 2 | 63 | ESOS | Cash | 84,369,125 |
| August 10, 2010 | 15,825 | 2 | 63 | ESOS | Cash | 84,396,200 |
| | 11,250 | | 84 | | | |
| September 28, 2010 | 29,150 | 2 | 63 | ESOS | Cash | 84,438,225 |
| | 12,375 | | 84 | | | |
| | 500 | | 95 | | | |

| Date of Allotment | No. of Equity Shares | Face Value per Equity Share(₹) | Issue Price per equity share (₹) | Reasons for Allotment | Consideration | Cumulative Capital (No. of Equity Shares) |
|--------------------|----------------------|--------------------------------|----------------------------------|---|---------------|---|
| December 2, 2010 | 9,575 | 2 | 63 | ESOS | Cash | 84,496,050 |
| | 46,250 | | 84 | | | |
| | 2,000 | | 95 | | | |
| February 7, 2011 | 3,200 | 2 | 63 | ESOS | Cash | 84,516,825 |
| | 15,075 | | 84 | | | |
| | 2,500 | | 95 | | | |
| May 3, 2011 | 24,600 | 2 | 63 | ESOS | Cash | 84,589,075 |
| | 26,550 | | 84 | | | |
| | 21,100 | | 95 | | | |
| June 10, 2011 | 2,875 | 2 | 63 | ESOS | Cash | 84,626,325 |
| | 13,625 | | 84 | | | |
| | 20,750 | | 95 | | | |
| July 1, 2011 | 9,625 | 2 | 63 | ESOS | Cash | 84,661,875 |
| | 11,675 | | 84 | | | |
| | 14,250 | | 95 | | | |
| August 12, 2011 | 2,750 | 2 | 63 | ESOS | Cash | 84,704,800 |
| | 35,150 | | 84 | | | |
| | 5,025 | | 95 | | | |
| November 28, 2011 | 2,500 | 2 | 63 | ESOS | Cash | 84,707,300 |
| June 7, 2013 | 4,500 | 2 | 63 | ESOS | Cash | 84,711,800 |
| January 6, 2014 | 10,500 | 2 | 84 | ESOS | Cash | 84,731,625 |
| | 9,325 | | 95 | | | |
| May 21, 2014 | 6,750 | 2 | 84 | ESOS | Cash | 84,769,750 |
| | 31,375 | | 95 | | | |
| September 18, 2014 | 8,125 | 2 | 84 | ESOS | Cash | 84,808,225 |
| | 30,350 | | 95 | | | |
| May 7, 2015 | (43,342,270) | 2 | - | Scheme of Amalgamation and Arrangement [#] | - | 41,465,955 |
| May 7, 2015 | 43,342,270 | 2 | - | Scheme of Amalgamation and Arrangement [#] | - | 84,808,225 |
| July 29, 2015 | 10,725 | 2 | 95 | ESOS | Cash | 84,818,950 |
| September 10, 2015 | 1,025 | 2 | 95 | ESOS | Cash | 84,819,975 |
| July 27, 2017 | (12,50,000) | 2 | 400 | Buyback of Equity Shares | Cash | 83,569,975 |

*Scheme of Amalgamation between Company (i.e. J. B. Mody Chemicals & Pharmaceuticals Ltd.) & J. B. Chemicals & Pharmaceuticals Pvt. Ltd.

\$Scheme of arrangement between Ifiunik Pharmaceuticals Ltd, Unique Pharmaceutical Laboratories Ltd and the Company

#Scheme of Amalgamation and Arrangement between Jyotindra Mody Holdings Pvt. Ltd., Ansuya Mody Securities Pvt. Ltd., Dinesh Mody Securities Pvt. Ltd., Kumud Mody Securities Pvt. Ltd., Shirish B. Mody Investments Pvt. Ltd., Bharati S. Mody Investments Pvt. Ltd. and the Company.

14.4. Board of Directors:

The details of the Board of Directors of the Company as on date of Public Announcement i.e. September 3, 2018 are as follows:

| Name, Age, DIN & Occupation of the Director | Designation | Qualifications | Date of Appointment /Re appointment | Other Directorships in Indian Companies on the date of Public Announcement |
|---|--|---|--|---|
| Mr. Jyotindra B. Mody DIN: 00034851 Age: 89 years Occupation: Industrialist | Chairman & Managing Director | Inter Sc. | December 18, 1976 | - Sasken Technologies Limited - Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited |
| Mr. Dinesh B. Mody DIN: 00034992 Age: 81 years Occupation: Industrialist | Whole Time Director (Administration) | Exp. in Admn. | December 18, 1976 | - Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited |
| Mr. Shirish B. Mody DIN: 00035051 Age: 77 years Occupation: Industrialist | Whole Time Director (Marketing) | B. Sc. (Tech) | September 04, 2018 | - Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited - Malabar Hill Club |
| Mr. Bharat P. Mehta DIN: 00035444 Age: 70 years Occupation: Industrialist | Whole Time Director (Planning & Development) | B. Sc. | August 19, 2015 | - Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited |
| Mr. Pranabh D. Mody DIN: 00035505 Age: 54 years Occupation: Industrialist | President & Whole Time Director (Operations) | B. Pharma. MBA (USA) | August 23, 2016 | - Sasken Technologies Limited - Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited |
| Mr. Durga Dass Chopra DIN: 00036036 Age: 85 years Occupation: Company Director | Independent Director | B.A., FCA | April 01, 2014 | - Auric Tradefin Pvt. Ltd. |
| Dr. Satyanarain Agarwala DIN: 00036079 Age: 83 years Occupation: Regulatory Services Consultant | Independent Director | MBBS, DCH, FRCP(Ed), FICA(USA), FICP | April 01, 2014 | - Blue Cross Laboratories Limited - Spectrum Oncology Private Limited |
| Mr. Rajiv C. Mody DIN: 00092037 Age: 60 years Occupation: Industrialist | Independent Director | Elect. Engg., Masters in computer science | April 01, 2014 | - Sasken Technologies Limited - Centum Electronics Limited - TACO Sasken Automotive Electronics Limited |
| Mr. Kamlesh L. Udani DIN: 00036215 Age: 63 years Occupation: Service | Executive Director (Technical & Production) | B.E. (Elect), MBA | September 19, 2017 | - Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited - Lewens Labs Private Limited |
| Ms. Krupa R. Gandhi DIN: 00294629 Age: 47 years Occupation: Chartered Accountant | Independent Director | B.COM, FCA | April 01, 2014 | - Kruti Finance And Holdings Pvt Ltd |
| Mr. Devang R. Shah DIN: 00232606 Age: 50 years Occupation: Business | Independent Director | B.COM, CA | December 16, 2014 | - Friendly Financial Services Pvt Ltd - Niche Financial Services Private Limited - Vandana Foundation - Neminath Portfolio Management Services Private Limited |
| Mr. Shaukat H. Merchant DIN: 00075865 Age: 67 years Occupation: Solicitor | Independent Director | Advocates & Solicitor | February 03, 2016 | - Rubfila International Limited |
| Dr. Manoj R. Mashru DIN: 07624554 Age: 62 years Occupation: Cardiac Surgeon | Independent Director | MBBS, MD (Medicine), DM (Cardiology) and FACC | November 18, 2016 | - No other directorship. |

14.5. Change in Board of Directors:

The details of changes in the Board of Directors during the last 3 years preceding the date of Public Announcement i.e. September 3, 2018 are as under:

| Name of the Director | Designation | Effective Date | Reasons |
|-------------------------|--------------------------------------|--------------------|-------------|
| Mr. Niranjan N. Maniar | Independent Director | November 23, 2016 | Resignation |
| Dr. Manoj R. Mashru | Additional Director (Independent) | November 18, 2016 | Appointment |
| Mr. Jashvantra B. Joshi | Independent Director | September 29, 2016 | Resignation |
| Mr. Mahesh K. Shroff | Independent Director | March 12, 2016 | Resignation |
| Mr. Shaikat H. Merchant | Additional Director (Independent) | February 03, 2016 | Appointment |

14.6. The Buy-back will not result in any benefit to any Directors of the Company except to the extent of the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of Equity Shares which will lead to reduction in the Equity Share Capital of the Company, post Buy-back.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

15.1 Historically, the Company has prepared its financial statements in accordance with Indian GAAP, applicable accounting standards and the guidance notes issued by the ICAI, the Act and other statutory and/or regulatory requirements. However, from April 1, 2016, the Company has adopted Indian Accounting Standards prescribed under Section 133 of the Act, read with the relevant rules issued thereunder ("Ind AS"). Accordingly, the Limited Review of quarterly unaudited standalone financial results for June 30, 2018 and audited financial statements of the Company, for the financial years ended March 31, 2018 and March 31, 2017, as announced on August 10, 2018, May 25, 2018 and May 23, 2017 respectively, have been prepared in accordance with the Ind AS. Indian GAAP differs in certain respects from Ind AS, and the audited financial statements of the Company for the Limited Review of quarterly unaudited standalone financial results for June 30, 2018 and for the financial years ended March 31, 2018 and March 31, 2017, may not be comparable with the audited financial statements of the Company for previous year i.e. March 31, 2016.

15.2. The salient features of the financial information of the Company as extracted from the Limited Review of quarterly unaudited standalone financial results for June 30, 2018 and standalone audited financial statements of the Company for the last three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 are set out below:

(₹ in crores)

| Particulars | For 3 months period ended | Year ended | | |
|---|------------------------------|------------------------|------------------------|----------------|
| | 30-Jun-2018 [^] & # | 31-Mar-18 [#] | 31-Mar-17 [#] | 31-Mar-16 |
| Total Income | 367.09 | 1,289.99 | 1,244.58 | 1,201.09 |
| Total Expenses (excluding Finance Costs and Depreciation) | 291.87 | 1,051.58 | 976.54 | 924.37 |
| Finance Cost | 1.27 | 3.41 | 5.00 | 9.22 |
| Depreciation | 14.47 | 55.95 | 46.26 | 40.41 |
| Exceptional Items | - | - | - | - |
| Profit Before Tax | 59.48 | 179.04 | 216.78 | 227.10 |
| Tax Expense | 17.41 | 51.04 | 43.82 | 50.71 |
| Profit After Tax | 42.07 | 128.00 | 172.96 | 176.39 |
| Other Comprehensive Income | (0.62) | (2.42) | (2.70) | Not Applicable |
| Total Comprehensive Income for the Year | 41.45 | 125.59 | 170.26 | Not Applicable |
| Equity Share Capital | Not Available | 16.71 | 16.96 | 16.96 |
| Reserves & Surplus [*] | Not Available | 1,436.67 | 1,370.90 | 1,124.79 |
| Net worth | Not Available | 1,453.39 | 1,387.86 | 1,141.75 |
| Total debt (excluding working capital loans) | Not Available | 2.59 | 3.64 | 96.80 |

[^]extracted from Limited Review of quarterly unaudited standalone financial results as disclosed on BSE website

[#] Prepared in accordance with Ind AS

* For the above purpose, "Net Worth" means the aggregate value of the paid-up share capital and all reserves excluding reserves created out of revaluation of assets, write-back of depreciation and amalgamation, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off.

15.3. The financial ratios of the Company as extracted from the Limited Review of quarterly unaudited standalone financial results for June 30, 2018 and the standalone audited financial statements of the Company for the last three financial years ended March 31, 2018, March 31, 2017 and March 31, 2016 is set out below:

| Particulars | For 3 months period ended | Year ended | | |
|--|-----------------------------|------------------------|------------------------|-----------|
| | 30-Jun-2018 [^] &# | 31-Mar-18 [#] | 31-Mar-17 [#] | 31-Mar-16 |
| Earnings per Share - Basic (₹) ^{(1)*} | 5.03 | 15.24 | 20.39 | 20.80 |
| Earnings per Share – Diluted (₹) ^{(1)*} | 5.03 | 15.24 | 20.39 | 20.80 |
| Book Value Per Share (₹) ⁽²⁾ | Not Available | 173.91 | 163.62 | 134.61 |
| Return on Net worth (%) ⁽³⁾ | Not Available | 9.01% | 13.68% | 16.35% |
| Debt-Equity Ratio ⁽⁴⁾ | Not Available | 0.002 | 0.003 | 0.085 |
| Total Debt / Net Worth | Not Available | 0.002 | 0.003 | 0.085 |

[^]extracted from Limited Review of quarterly unaudited standalone financial results as disclosed on the BSE website

[#] Prepared in accordance with Ind AS

* not annualised

Note: The formulae used for computation of the above ratios are as follows:

(1) Earnings per Share = Profit After Tax / weightage average number of Equity Shares outstanding during the year/period.

(2) Book value per Share = Net Worth/ Number of Equity Shares outstanding at the end of the year

(3) Return on Net Worth = Profit After Tax / Average Net Worth for the period (computed as average of opening and closing Net worth)

(4) Debt-Equity Ratio = Total Debt excluding Working Capital / Net Worth

(5) For the above purpose, "Net Worth" means the aggregate value of the paid-up share capital and all reserves excluding reserves created out of revaluation of assets, write-back of depreciation and amalgamation, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off.

15.4. The Company shall comply with the Takeovers Regulations, wherever and if applicable. The Company hereby declares that it has complied /will comply with sections 68, 69 and 70 of the Act and the rules made thereunder to the extent applicable.

16. STOCK MARKET DATA

16.1. The Equity Shares are currently listed and traded on BSE and NSE.

16.2. The high, low, average market prices and total volume of Equity Shares traded in the last three Financial years (April to March) and the monthly high, low, average market prices and total volume of Equity Shares traded for the six completed calendar months preceding the date of publication of Public Announcement and the corresponding volumes on BSE and NSE are as follows:

BSE (Scrip: 506943)

| Period | HIGH | | | LOW | | | Average Price (₹) | Total Volume Traded in the period (No. of shares) |
|--------------------|----------------|--------------------|-----------------------------------|---------------|--------------------|-----------------------------------|-------------------|---|
| | High Price (₹) | Date of High Price | No. of shares traded on that date | Low Price (₹) | Date of Low Price | No. of shares traded on that date | | |
| PRECEDING 3 YEARS | | | | | | | | |
| FY 2017-18 | 363.05 | May 17, 2017 | 35,139 | 255.00 | September 28, 2017 | 13,991 | 309.07 | 39,53,891 |
| FY 2016-17 | 403.60 | October 14, 2016 | 1,27,614 | 231.00 | June 24, 2016 | 17,034 | 312.05 | 60,81,393 |
| FY 2015-16 | 318.05 | October 20, 2015 | 1,52,372 | 199.50 | April 01, 2015 | 54,106 | 257.59 | 1,33,12,122 |
| PRECEDING 6 MONTHS | | | | | | | | |
| August 2018 | 350.00 | August 31, 2018 | 1,63,697 | 268.00 | August 01, 2018 | 2,948 | 305.25 | 6,50,276 |
| July 2018 | 279.80 | July 26, 2018 | 5,851 | 236.00 | July 11, 2018 | 5,817 | 260.73 | 1,16,667 |
| June 2018 | 289.00 | June 18, | 947 | 252.00 | June 27, | 1,900 | 267.84 | 3,55,500 |

| | | | | | | | | |
|------------|--------|----------------|--------|--------|----------------|--------|--------|----------|
| | | 2018 | | | 2018 | | | |
| May 2018 | 335.50 | May 04, 2018 | 12,014 | 278.00 | May 31, 2018 | 3,588 | 308.64 | 1,29,388 |
| April 2018 | 324.95 | April 19, 2018 | 2,855 | 298.20 | April 20, 2018 | 31,473 | 313.58 | 1,48,433 |
| March 2018 | 319.90 | March 01, 2018 | 3,248 | 280.65 | March 26, 2018 | 3,537 | 300.30 | 88,190 |

Source: www.bseindia.com

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

NSE (Scrip: JBCHEPHARM)

| Period | HIGH | | | LOW | | | Average Price (₹) | Total Volume Traded in the period (No. of shares) |
|--------------------|----------------|--------------------|-----------------------------------|---------------|--------------------|-----------------------------------|-------------------|---|
| | High Price (₹) | Date of High Price | No. of shares traded on that date | Low Price (₹) | Date of Low Price | No. of shares traded on that date | | |
| PRECEDING 3 YEARS | | | | | | | | |
| FY 2017-18 | 367.50 | April 05, 2017 | 76,434 | 259.00 | September 28, 2017 | 47,970 | 309.20 | 2,42,50,875 |
| FY 2016-17 | 403.90 | October 14, 2016 | 6,83,449 | 231.30 | June 24 ,2016 | 1,51,514 | 312.22 | 3,14,89,464 |
| FY 2015-16 | 318.35 | October 20, 2015 | 5,59,392 | 199.00 | April 01, 2015 | 1,98,704 | 257.71 | 4,32,96,126 |
| PRECEDING 6 MONTHS | | | | | | | | |
| August 2018 | 351.00 | August 31, 2018 | 13,72,802 | 268.10 | August 01, 2018 | 15,411 | 305.46 | 48,84,136 |
| July 2018 | 280.00 | July 26, 2018 | 26,358 | 239.95 | July 06, 2018 | 2,03,468 | 261.24 | 11,20,375 |
| June 2018 | 289.30 | June 18, 2018 | 32,314 | 250.10 | June 27, 2018 | 20,542 | 267.96 | 7,93,653 |
| May 2018 | 336.65 | May 04, 2018 | 69,435 | 278.60 | May 31, 2018 | 31,502 | 308.75 | 8,95,516 |
| April 2018 | 327.95 | April 19, 2018 | 2,42,556 | 298.65 | April 20, 2018 | 3,13,875 | 314.46 | 14,48,216 |
| March 2018 | 320.95 | March 01, 2018 | 63,592 | 281.00 | March 23, 2018 | 29,406 | 300.41 | 10,50,860 |

Source: www.nseindia.com

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

16.3. The closing market prices of the Equity Shares on BSE and NSE on August 30, 2018 being the Working Day previous to the day on which the Board approved the proposal for Buy-back, were ₹ 337.10 and ₹ 338.50 respectively.

16.4. The closing market prices of the Equity Shares on BSE and NSE on September 03, 2018 being the Working Day following the day on which the Board approved the proposal for Buy-back, were ₹ 341.35 and ₹ 341.40 respectively.

16.5. The closing market prices of the Equity Shares on BSE and NSE as on the date of intimation of the Board Meeting for considering the Buy-back, being August 23, 2018 were ₹ 328.20 and ₹ 324.30 respectively.

17. DETAILS OF THE STATUTORY APPROVALS

17.1. The Buy-back is subject to approvals, if any, required under the provisions of the Act, the Buy-back Regulations, SEBI and applicable rules and regulations as specified by RBI under FEMA and / or such other applicable rules and regulations for the time being in force.

17.2. The Buy-back of Equity Shares from Non-Resident Shareholders will be subject to approvals, if any, of the appropriate authorities as applicable. Non-Resident Shareholders including Non-Resident Indians (“NRI”) and erstwhile Overseas Corporate Bodies (“OCB”) must obtain all approvals required to tender the Equity Shares held by them in this Buy-back (including without limitation the approval from the RBI). It is the obligation of such Non-Resident Shareholders including NRI and OCB shareholders, to obtain such approvals and submit such approvals along with the tender form, so as to enable them to validly tender Equity Shares in the Buy-back and for the Company to purchase such Equity Shares tendered. The Company will have the right to make payment to the Eligible Shareholders in respect of whom no prior RBI approval is required and will have the right to reject the Equity Shares tendered by the Eligible Shareholders who are Non-Resident

Shareholders in respect of whom prior RBI approval is required in the event copies of such approvals are not submitted.

- 17.3. As on date, there are no other statutory or regulatory approvals required to implement the Buy-back, other than that indicated above. If any statutory or regulatory approvals become applicable subsequently, the Buy-back will be subject to such statutory or regulatory approvals. In the event that the receipt of any statutory / regulatory approvals are delayed, changes to the proposed timetable of the Buy-back, if any, shall be intimated to Stock Exchanges.

18. DETAILS OF THE REGISTRAR TO THE BUY-BACK AND COLLECTION CENTRE

18.1. REGISTRAR TO THE BUY-BACK



Link Intime India Private Limited

Address: C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 22 4918 6200 **Fax:** + 91 22 4918 6195

Email: jbhcem.buyback 2018@linkintime.co.in;

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI Registration Number: INR000004058 Validity: Permanent

CIN: U67190MH1999PTC118368

18.2. COLLECTION CENTRE

Eligible Shareholders are requested to submit their Tender Form(s) and requisite documents either by registered post / courier to the Registrar to the Buy-back, super scribing the envelope as “**J.B. Chemicals & Pharmaceuticals Limited Buy-back - 2018**”, or hand deliver the same to the Registrar to the Buy-back at the address abovementioned.

THE TENDER FORM AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUY-BACK.

19. PROCESS AND METHODOLOGY FOR THE BUY-BACK

- 19.1. The Company proposes to buy-back up to 33,33,333 fully paid-up Equity Shares (representing up to 3.99 % of total number of Equity Shares of the Company) from the Equity Shareholders as on the Record Date, on a proportionate basis, through the Tender Offer route at a price of ₹ 390 per Equity Share, payable in cash for an aggregate maximum amount of up to ₹130,00,00,000 (Rupees One Hundred and Thirty Crores only). The Buy-back is in accordance with the provisions of Section 68, 69 and other applicable provisions, if any, of the Act and in accordance with Article 190 of the Articles of Association of the Company and subject to regulation 4(1)(a) and other applicable provisions contained in the Buy-back Regulations and such other approvals, permissions and exemptions as may be required, from time to time from statutory authorities and / or regulatory authorities, including but not limited to approvals from SEBI, Stock Exchanges and the RBI, if any. The Buy-back Size represents less than 10% of the paid-up Equity Share Capital and free reserves of the Company as on March 31, 2018. The maximum number of Equity Shares proposed to be bought back is up to 33,33,333 Equity Shares of face value ₹. 2 each, being 3.99 % of total number of Equity Shares of the Company.
- 19.2. The aggregate shareholding of the Promoters and Promoter Group as on the date of board meeting held to consider the Buy-back and as on the date of this Draft Letter of Offer is 4,66,56,278 Equity Shares which represents 55.83 % of the existing Equity Shares of the Company. In terms of the Buy-back Regulations, under the Tender Offer route, the Promoters and Promoter Group of the Company have an option to participate in the Buy-back. The Promoters and Promoter Group of the Company have conveyed their intention to participate in the Buy-back up to 28,36,992 Equity Shares or such lower number of Equity Shares in accordance with the provisions of the Buy-back Regulations.
- 19.3. Assuming response to the Buy-back is 100% (full acceptance) from all the Eligible Shareholders in proportion to their respective Buy-back Entitlement, the aggregate shareholding of the Promoters and Promoter Group post the Buy-back may change to [●] % however, such change will not take voting rights of Promoters and Promoter Group in the Company in excess of maximum permissible non-public shareholding. The exact

change in shareholding of Promoters and Promoter Group will depend upon the response to the Buy-back and acceptances.

19.4. Record Date and Ratio of Buy-back as per the Buy-back Entitlement in each Category:

- a) The Company has fixed Wednesday, September 12, 2018 as the Record Date for the purpose of determining the Buy-back Entitlement and the names of the Equity Shareholders who are eligible to participate in the Buy-back.
- b) The Equity Shares to be bought back as a part of this Buy-back are divided into two categories:
 - (a) Reserved category for Small Shareholders (“**Reserved Category**”); and
 - (b) General category for other Eligible Shareholders (“**General Category**”).
- c) As defined in the Buy-back Regulations, Small Shareholder is a shareholder, who holds Equity Shares of the Company, as on the Record Date, whose market value, on the basis of closing price on the Recognized Stock Exchange registering the highest trading volume is not more than ₹ 2,00,000 (Rupees Two Lakh Only). As on the Record Date, the closing price on BSE or NSE having the highest trading volume, was ₹ [●]. Accordingly, all Equity Shareholders holding not more than [●] Equity Shares as on the Record Date are classified as “Small Shareholders” for the purpose of the Buy-back.
- d) Based on the above definition, there are [●] Small Shareholders in the Company with aggregate shareholding of [●] Equity Shares as on the Record Date, which constitutes [●] % of the outstanding number of Equity Shares of the Company and [●]% of the maximum number of Equity Shares which the Company proposes to buy-back as a part of this Buy-back.
- e) In compliance with regulation 6 of the Buy-back Regulations, the reservation for the Small Shareholders, will be higher of:
 - (a) 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back i.e. 15% of 33,33,333 Equity Shares which works out to 5,00,000 Equity Shares; or
 - (b) The number of Equity Shares entitled as per their shareholding as on Record Date i.e. $([●]/[●]) \times [●]$, which works out to be [●] Equity Shares.
 - (1) All the outstanding fully paid-up Equity Shares have been used for computing the Buy-back Entitlement of Small Shareholders.
 - (2) Based on the above and in accordance with regulation 6 of the Buy-back Regulations, [●] [(Rounded off)] fully paid-up Equity Shares have been reserved for Small Shareholders.

Accordingly, General Category for all other Eligible Shareholders shall consist of [●] Equity Shares.
- f) Based on the above Buy-back Entitlement, the Ratio of Buy-back for both categories is decided as below:

| Category of Shareholders | Ratio of Buy-back |
|--|---|
| Reserved category for Small Shareholders | [●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date. |
| General category for all other Eligible Shareholders | [●] Equity Shares out of every [●] fully paid-up Equity Shares held on the Record Date. |

19.5. Fractional Entitlements:

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

On account of ignoring the fractional entitlement, those Small Shareholders who hold [●] or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders

are entitled to tender Additional Equity Shares as part of the Buy-back and will be given preference in the acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares.

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

Subject to the provisions contained in this Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-back by the Small Shareholders in the Reserved Category in the following order of priority:

- (i) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buy-back Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the Acceptance as described in paragraph 19.6 (i) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buy-back, shall be given preference and 1 (one) Equity Share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- (iii) Post the Acceptance as described in paragraph 19.6 (i) and 19.6 (ii) above, in case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buy-back Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buy-back Regulations, i.e. valid acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6 (ii) above, shall be reduced by 1 (one).
- (iv) Adjustment for fractional results in case of proportionate Acceptance, as described in paragraph 19.6 (iii) above:
 - (a) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any Small Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

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

Subject to the provisions contained in the Draft Letter of Offer, the Company will accept the Equity Shares tendered in the Buy-back by all Eligible Shareholders in the General Category in the following order of priority:

- (i) Acceptance of 100% Equity Shares from Eligible Shareholders in the General Category who have validly tendered their Equity Shares, to the extent of their Buy-back Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (ii) Post the Acceptance as described in paragraph 19.7 (i) above, in case there are any Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the Eligible Shareholders over and above their Buy-back Entitlement shall be accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per Shareholder shall be made in accordance with the Buy-back Regulations, i.e. valid acceptances per Shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Shareholder divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be accepted in General Category.

(iii) Adjustment for fractional results in case of proportionate acceptance as described in paragraph 19.7 (i) and (ii) above:

- (a) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
- (b) For any Eligible Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 (one) and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

19.8. Basis of Acceptance of Equity Shares between Categories

- (i) In case there are any Equity Shares left to be bought back in one category (“**Partially filled Category**”) after acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the other category, then the Additional Equity Shares in the other category shall be accepted proportionately, i.e. valid acceptances per Eligible Shareholder shall be equal to the Additional outstanding Equity Shares validly tendered by an Eligible Shareholder in the other category divided by the total additional outstanding Equity Shares validly tendered in the other category and multiplied by the total pending number of Equity Shares to be bought back in the Partially filled Category.
- (ii) If the Partially filled Category is the General Category, and the other category is the Reserved Category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom 1 (one) Equity Share has been accepted in accordance with paragraph 19.6 (ii) shall be reduced by 1 (one).
- (iii) Adjustment for fraction results in case of proportionate Acceptance, as defined in paragraph 19.8 (i) and (ii) above:
 - (a) For any Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (b) For any Shareholder, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored.

19.9. For avoidance of doubt, it is clarified that:

- (i) The Equity Shares accepted under the Buy-back from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares tendered by the respective Eligible Shareholder;
- (ii) The Equity Shares accepted under the Buy-back from each Eligible Shareholder, in accordance with paragraphs above, shall not exceed the number of Equity Shares held by respective Eligible Shareholder as on the Record Date; and
- (iii) The Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the paragraphs above.

20. PROCEDURE FOR TENDERING EQUITY SHARES AND SETTLEMENT

20.1. The Buy-back is open to all Eligible Shareholders holding Equity Shares of the Company as on the Record date, i.e. Wednesday, September 12, 2018.

20.2. The Company proposes to Buy-back Equity shares through a Tender Offer method, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buy-back as well as the detailed disclosures as specified in the Buy-back Regulations, will be dispatched to the Eligible Shareholders. The Letter of Offer shall be sent through electronic means to Eligible Shareholder(s) who have registered their email ids with the depositories / the Company, and for those Eligible Shareholder(s) who have not registered their email ids with the depositories / the Company, the Letter of Offer shall be dispatched through physical mode by registered post / speed post / courier. Further, on receipt of request from any Eligible Shareholder to receive a copy of

Letter of Offer in physical format, the same shall be made provided. In case of non-receipt of Letter of Offer and the Tender Form, please follow the procedure mentioned in paragraph 20.24.

- 20.3. The Company will not accept any Equity Shares offered for Buy-back which are under any restraint order of a court for transfer / sale of such Equity Shares.
- 20.4. The Company shall comply with regulation 19(5) of the Buy-back Regulations which state that the Company shall not buy-back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- 20.5. Eligible Shareholders' participation in Buy-back will be voluntary. Shareholders can choose to participate, in part or in full, and get cash in lieu of the Equity Shares accepted under the Buy-back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buy-back, without additional investment. Shareholders may also tender a part of their Buy-back Entitlement. Shareholders also have the option of tendering Additional Shares (over and above their Buy-back Entitlement) and participate in the shortfall created due to non-participation of some other Shareholders, if any. Acceptance of any Equity Shares tendered in excess of the Buyback Entitlement by the Shareholder, shall be in terms of procedure outlined in paragraph 19 (Process and Methodology for the Buy-back) of this Draft Letter of Offer.
- 20.6. Eligible Shareholders will have to transfer the Equity Shares from the same demat account in which they were holding the Equity Shares as on the Record Date and in case of multiple demat accounts, Eligible Shareholders are required to tender the applications separately from each demat account.
- 20.7. The Company shall accept all the Equity Shares validly tendered for the Buy-back by Eligible Shareholders, on the basis of their Buy-back Entitlement as on the Record Date and also Additional Equity Shares if any tendered by Eligible Shareholders will be accepted as per paragraphs 19.6, 19.7, 19.8 and 19.9.
- 20.8. As elaborated under paragraph 19.4, the Equity Shares proposed to be bought as a part of the Buy-back are divided into two categories; (a) Reserved category for Small Shareholders and (b) the General category for other Eligible Shareholders, and the Buy-back Entitlement of an Eligible Shareholders in each category shall be calculated accordingly.
- 20.9. After accepting the Equity Shares tendered on the basis of Buy-back Entitlement, Equity Shares left to be bought as a part of the Buy-back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buy-back Entitlement, by Eligible Shareholders in that category, and thereafter, from Eligible Shareholders who have tendered over and above their Buy-back Entitlement, in other category.
- 20.10. The Buy-back shall be implemented 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 SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time and following the procedure prescribed in the Act and the Buy-back Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time. In this regard, the Company will request BSE to provide the Acquisition Window. For the purpose of this Buy-back, BSE will be the Designated Stock Exchange.
- 20.11. The maximum tender under the Buy-back by any Eligible Shareholder cannot exceed the number of shares held by the Eligible Shareholder on the Record Date.
- 20.12. For implementation of the Buy-back, the Company has appointed **FRR Shares and Securities Limited** as the registered broker to the Company (the "**Company's Broker**") who will facilitate the process of tendering Equity Shares through Stock Exchange Mechanism for the Buy-back and through whom the purchase and settlements on account of the Buy-back would be made by the Company. The contact details of the Company's Broker are as follows:

Name: FRR Shares and Securities Limited

Address: 103/C, Mittal Tower, Nariman Point, Mumbai – 400 021

Contact Person: Mr. Nitin Lakhotia **Tel.:** 022-40238744

Email: nitin.lakhotia@frrshares.com **Website:** www.frrshares.com

SEBI Registration Number: INB/INF011397230 (BSE)

Corporate Identity Number: U67100MH2010PLC204251

- 20.13. For the purpose of this Buy-back, BSE will be the Designated Stock Exchange. The Company will request BSE to provide the facility of acquisition window to facilitate placing of sell orders by Eligible Shareholders

who wish to tender their Equity Shares in the Buy-back Offer. The details of the platform will be as specified by BSE from time to time. In case Eligible Shareholder's broker is not registered with BSE, Eligible Shareholder may approach Company's Broker to place its bid.

- 20.14. In the event Seller Member(s) of Eligible Shareholders are not registered with BSE, then that Eligible Shareholders can approach any BSE registered stock broker and can make a bid by using quick unique client code (UCC) facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with the applicable SEBI regulations. In case Eligible Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker, then the Eligible Shareholders may approach Company's Broker viz. **FRR Shares and Securities Limited** to bid by using quick UCC facility. The Eligible Shareholders approaching BSE registered stock broker (with whom Eligible Shareholders does not have an account) may have to submit following details:

1. In case of Eligible Shareholder being an individual or HUF:

A. If Eligible Shareholder is registered with KYC Registration Agency ("KRA"):

- a) Forms required:
 - 1) Central Know Your Client (CKYC) form
 - 2) Know Your Client (KYC) form
- b) Documents required (all documents self-attested):
 - 1) Bank details (cancelled cheque)
 - 2) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

B. If Eligible Shareholder is not registered with KRA:

- a) Forms required:
 - 1) CKYC form
 - 2) KRA form
 - 3) KYC form
- b) Documents required (all documents self-attested):
 - 1) PAN card copy
 - 2) Address proof
 - 3) Bank details (cancelled cheque)
 - 4) Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

In addition to above documents, shareholder would also require to submit the FATCA form along with KYC/ KRA requirements.

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

2. In case of Eligible Shareholder other than Individual and HUF:

A. If Eligible Shareholder is KRA registered:

- a) Form required:
 - 1) KYC Form
- b) Documents required (all documents self-attested)
 - 1) Bank details (cancelled cheque)
 - 2) Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
 - 3) Latest list of directors/authorised signatories
 - 4) Latest shareholding pattern
 - 5) Board resolution
 - 6) Details of ultimate beneficial owner along with PAN card and address proof
 - 7) Last 2 years financial statements

B. If Eligible Shareholder is not KRA registered:

a) Forms required:

- 1) KRA form
- 2) KYC form

b) Documents required (all documents self-attested):

- 1) PAN card copy
- 2) Address proof
- 3) Bank details (cancelled cheque)
- 4) Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- 5) Latest list of directors/authorised signatories /partners
- 6) PAN card copies & address proof of directors/authorised signatories/partners
- 7) Latest shareholding pattern
- 8) Board resolution/partnership declaration
- 9) Details of ultimate beneficial owner along with PAN card and address proof
- 10) Last 2 years financial statements
- 11) MOA/Partnership deed

In addition to above documents, shareholder would also require to submit the FATCA form along with KYC/ KRA requirements.

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.

- 20.15. All Eligible Shareholders may place orders in the Acquisition Window, through their respective stock brokers.
- 20.16. During the Tendering Period, the order for selling the Equity Shares will be placed in the Acquisition Window by Eligible Shareholders through their respective Shareholder Broker during normal trading hours of the secondary market.
- 20.17. Shareholder Brokers can enter orders for Equity Shares in Demat form as well as in physical form.
- 20.18. Modification / cancellation of orders and multiple bids from a single Eligible Shareholders will be allowed during the Tendering Period of the Buy-back. Multiple bids made by single Eligible Shareholder for selling the Equity Shares shall be clubbed and considered as “one” bid for the purposes of Acceptance.
- 20.19. The cumulative quantity tendered shall be made available on BSE’s website, www.bseindia.com throughout the trading session and will be updated at specific intervals during the Tendering Period.
- 20.20. All documents sent by the Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
- 20.21. **Procedure to be followed by Eligible Shareholders holding Equity Shares in the dematerialised form**
- (i) Eligible Shareholders who desire to tender their Equity Shares in the dematerialised form under Buy-back would have to do so through their respective Shareholder Broker by giving details of Equity Shares they intend to tender under the Buy-back offer.
 - (ii) The Shareholder Broker/ Eligible Shareholder would be required to transfer the tendered Equity Shares to a special account of the Indian Clearing Corporation Limited (“**Clearing Corporation**”) specifically created for the purpose of Buy-back (“**Special Account**”), by using settlement number through the early pay in mechanism of Depositories and the same shall be validated at the time of order entry.
 - (iii) The details of the settlement number and Special Account for the Buy-back shall be informed in issue opening circular that will be issued by BSE Clearing Corporation prior to placing bid by Shareholder Broker.
 - (iv) For Custodian Participant orders for Equity Shares in demat form, early pay-in is mandatory prior to confirmation of order by custodian. The custodian shall either confirm or reject the orders not later than closing of trading hours on the last day of the Tendering Period. Thereafter, all unconfirmed orders shall be deemed to be rejected. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to custodian again for confirmation.

- (v) Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip (“**TRS**”) generated by the exchange bidding system to the Eligible Shareholders. TRS will contain the details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered, etc.
- (vi) Eligible Shareholders who have tendered their Equity Shares in the Buy-back can ‘hand deliver’ Tender Form duly signed (by all Eligible Shareholders in case Equity Shares are in joint names) in same order in which they hold the Equity Shares, along with the TRS generated by the exchange bidding system at the address (mentioned in paragraph 18 of this Draft Letter of Offer) of Registrar to the Buy-back. TRS will be generated by the respective Shareholder Broker. Eligible Shareholders who cannot hand deliver the Tender Form and other documents at the head-office of Registrar to the Buy-back, may send the same by registered post / speed post, at their own risk, super scribing the envelope as “**J.B. Chemicals & Pharmaceuticals Limited Buy-back 2018**”, to the Registrar to the Buy-back at their office mentioned on the cover page of this DLoF, so that the same are received not later than 2 (two) days from the Buy-back Closing Date i.e. [●], 2018 (by 5 PM).
- (vii) All Eligible Shareholders shall also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of the Tender Form to be sent. Such documents may include (but not be limited to):
 - (a) Duly attested power of attorney, if any person other than the Eligible Shareholders has signed the Tender Form;
 - (b) Duly attested death certificate, in case any Eligible Shareholders has expired; and
 - (c) In case of companies, the necessary certified corporate authorizations (including board and / or general meeting resolutions).
- (viii) In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted, for demat Equity Shareholders.
- (ix) The Eligible Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated Buy-back decided by the Company.

20.22. Procedure to be followed by Registered Eligible Shareholders holding Equity Shares in physical form

- (i) Eligible Shareholders who are holding Equity Shares in physical form and intend to participate in the Buy-back are required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out including the following:
 - (a) The Tender Form duly signed (by all Eligible Shareholders in case Equity Shares are in joint names) in the same order in which they hold the Equity Shares;
 - (b) Original share certificates;
 - (c) Valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered Eligible Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favor of the Company;
 - (d) Self-attested copy of the Eligible Shareholder's PAN Card;
 - (e) Any other relevant documents such as (but not limited to):
 - Duly attested Power of Attorney, if any person other than the Eligible Shareholder has signed the relevant Tender Form;
 - Copy of death certificate / succession certificate or probated will certified true by a Notary, if the original Eligible Shareholder has deceased; and
 - Necessary corporate authorizations, such as Board Resolutions etc., in case of companies.
 - (f) In addition to the above, if the address of the Eligible Shareholder has undergone a change from the address registered in the Register of Members of the Company, the Eligible Shareholders would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.
- (ii) Shareholder Broker should place bids on the Acquisition Window with relevant details as mentioned on the physical share certificate(s). Upon placing the bid, the Seller Member shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of the order submitted like Folio No., Certificate No., Distinctive No., No. of Equity Shares tendered, etc.

- (iii) After placement of bid, as mentioned in paragraph 20.22 (ii) above, the Shareholder Broker must ensure delivery of Tender Form, TRS, original share certificate(s), valid share transfer form(s) and other documents (as mentioned in paragraph 20.22 (i) above) either by registered post or courier or hand delivery to the Registrar to the Buy-back (at the address mentioned on the cover page and mentioned in paragraph 18 above) not later than 2 (two) days from the Buy-back Closing Date i.e. [●], 2018 (by 5 PM). The envelope should be super scribed as “**J.B. Chemicals & Pharmaceuticals Limited Buy-back 2018**”. One copy of the TRS will be retained by the Registrar and it will provide acknowledgement of the same to the Seller Member.
- (iv) Eligible Shareholders holding Equity Shares in physical form should note that such Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the physical Equity Shares for Buy-back by the Company shall be subject to verification as per the Buy-back Regulations and any further directions issued in this regard. Registrar will verify such bids based on the documents submitted on a daily basis and till such time the BSE shall display such bids as “unconfirmed physical bids”. Once Registrar confirms the bids it will be treated as “Confirmed Bids”.
- (v) All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Company and Registrar shall have the right to reject such Equity Shares tendered. The Equity Shares shall be liable for rejection on the following grounds amongst others: (a) If there is any other company's equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (b) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (c) If the Eligible Shareholders tender Equity Shares but the Registrar does not receive the Equity Share certificate; (d) In case the signature on the Tender Form and Form No. SH-4 doesn't match as per the specimen signature recorded with Company / Registrar.
- (vi) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialization, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialized is completed well in time so that they can participate in the Buy-back before Buy-back Closing Date.

20.23. For Equity Shares held by Eligible Shareholders, being Non-Resident Shareholders of Equity Shares:

- (i) Eligible Shareholders, being Non-Resident Shareholders of Equity Shares (excluding FIIs) shall also enclose a copy of the permission received by them from RBI, if applicable, to acquire the Equity Shares held by them.
- (ii) FII/FPI Shareholder should enclose a copy of their SEBI registration certificate.
- (iii) In case the Equity Shares are held on repatriation basis, the Eligible Shareholders who are Non-Resident Shareholders shall obtain and enclose a letter from its authorized dealer / bank / Company confirming that at the time of acquiring the Equity Shares, payment for the same was made by such non-resident Eligible Shareholder from the appropriate account (e.g. NRE a/c.) as specified by RBI in its approval. In case the Eligible Shareholders who are Non-Resident Shareholders is not in a position to produce the said certificate, the Equity Shares would be deemed to have been acquired on non-repatriation basis and in that case the Non-Resident Eligible Shareholder shall submit a consent letter addressed to the Company allowing the Company to make the payment on a non-repatriation basis in respect of the valid Equity Shares accepted under the Buy-back. In the event, such consent letter is not submitted by such non-resident Eligible Shareholder, the Company shall have the right to reject the Equity Shares tendered in the Buy-back and acceptance of such Equity Shares shall be at the sole discretion of the Company subject to such conditions as the Company may deem fit including making payment for the same on a non-repatriation basis.

20.24. In case of non-receipt of the Letter of Offer:

- (i) **In case the Equity Shares are in dematerialized form:** An Eligible Shareholder may participate in the Buy-back by downloading the Tender Form from the website of the Company i.e. www.jbcpl.com or by providing their application in writing on plain paper to the Registrar, signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name), stating name and address of Eligible Shareholders, number of Equity Shares held as on the Record Date, Client ID number, DP Name / ID, beneficiary account number and number of Equity Shares tendered for the Buy-back.
- (ii) **In case the Equity Shares are in physical form:** An Eligible Shareholder may participate in the Buy-back by providing their application in writing on plain paper signed by Eligible Shareholder or all Eligible Shareholders (in case Equity Shares are in joint name) stating name, address, folio number,

number of Equity Shares held, share certificate number, number of Equity Shares tendered for the Buy-back and the distinctive numbers thereof, enclosing the original share certificate(s), copy of Eligible Shareholders PAN card(s) and executed share transfer form in favour of the Company. The transfer form no. SH-4 can be downloaded from the Company's website www.jbcpl.com. Eligible Shareholders must ensure that the Tender Form, along with the TRS and requisite documents (as mentioned in paragraph 20.22 (i) above), reach the collection center not later than 2 (two) days from the Buy-back Closing Date i.e. [●], 2018 (by 5.00 PM). If the signature(s) of the Eligible Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar / Company or are not in the same order (although attested), the Company / Registrar shall have a right to reject such applications.

Please note that Eligible Shareholders who intend to participate in the Buy-back will be required to approach their respective Shareholder Broker (along with the complete set of documents for verification procedures) and have to ensure that their bid is entered by their respective Shareholder Broker or Seller Broker in the electronic platform to be made available by BSE before the Buy-back Closing Date.

The Company shall accept Equity Shares validly tendered by the Equity Shareholder(s) in the Buy-back on the basis of their shareholding as on the Record Date and the Buy-back Entitlement. Eligible Shareholder(s) who intend to participate in the Buy-back using the "plain paper" option as mentioned in this paragraph is advised to confirm their Buy-back Entitlement from the Registrar to the Buy-back, before participating in the Buy-back.

- 20.25. Non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to, any Eligible Shareholder, shall not invalidate the Buy-back in any way.
- 20.26. The acceptance of the Buy-back Offer by the Company is entirely at the discretion of the Eligible Shareholders of the Company. The Company does not accept any responsibility for the decision of any Eligible Shareholder to either participate or not to participate in the Buy-back. The Company will not be responsible in any manner for any loss of share certificate(s) and other documents during transit and the Eligible Shareholders are advised to adequately safeguard their interest in this regard.
- 20.27. **Method of Settlement**
 - a) Upon finalization of the basis of Acceptance as per the Buy-back Regulations, the settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market and as intimated by the Clearing Corporation from time to time.
 - b) The Company will transfer the consideration pertaining to the Buy-back to the Clearing Corporation's bank account through the Company's Broker as per the secondary market mechanism, as per the prescribed schedule. For demat Equity Shares accepted under the Buy-back, the Clearing Corporation will make direct funds pay-out to the respective Eligible Shareholders. If bank account details of any Eligible Shareholder holding Equity Shares in dematerialized form are not available or if the fund transfer instruction is rejected by the Reserve Bank of India or relevant Bank, due to any reasons, then the amount payable to the Eligible Shareholder(s) will be transferred to the settlement account of the concerned Seller Member for onward transfer to such Eligible Shareholder holding Equity Shares in dematerialized form.
 - c) In case of certain client types viz. NRI, foreign clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Member's settlement account for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the Depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the Designated Stock Exchange and the Clearing Corporation from time to time.
 - d) For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Selling Member's settlement account for releasing the same to the respective Eligible Shareholder's account.
 - e) The Equity Shares bought back in the dematerialized form would be transferred directly to the escrow account of the Company ("**Company Demat Escrow Account**") on receipt of the Equity Shares from the clearing and settlement mechanism of the Designated Stock Exchange.
 - f) Excess Equity Shares or unaccepted Equity Shares, in dematerialized form, if any, tendered by the Eligible Shareholders would be transferred by the Clearing Corporation directly to the respective Eligible

Shareholder's DP account. If the securities transfer instruction is rejected in the Depository system, due to any issue then such securities will be transferred to the Seller Member's depository pool account for onward transfer to the respective Eligible Shareholder.

- g) Any excess Equity Shares, in physical form, pursuant to proportionate acceptance / rejection will be returned back to the Eligible Shareholders directly by the Registrar. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-back by Eligible Shareholders holding Equity Shares in the physical form.
- h) The Seller Member would issue contract note for the Equity Shares accepted under the Buy-back. The Company's Brokers would also issue a contract note to the Company for the Equity Shares accepted under the Buy-back.
- i) Eligible Shareholders who intend to participate in the Buy-back should consult their respective Seller Member for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Seller Member for tendering Equity Shares in the Buy-back (secondary market transaction). The Manager to the Buy-back and the Company accept no responsibility to bear or pay any additional cost, applicable taxes, charges and expenses (including brokerage) levied by the Seller Member, and such costs will be incurred solely by the Eligible Shareholders.
- j) The Equity Shares lying to the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished and destroyed in the manner and following the procedure prescribed in the Buy-back Regulations and the Act.

Rejection Criteria: The Equity Shares tendered by Eligible Shareholders would be liable to be rejected on the following grounds.

For Eligible Shareholders holding shares in the dematerialized form if:

- a) The Shareholder is not an Eligible Shareholder of the Company as on the Record Date;

For Eligible Shareholders holding Equity Shares in the physical form if:

- a) The documents mentioned in the Tender Form for Eligible Shareholders holding Equity Shares in physical form are not received by the Registrar on or before the close of business hours of [●] (by 5 p.m.);
- b) If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
- c) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders;
- d) If the Eligible Shareholders bid the Equity Shares but the Registrar does not receive the physical Equity Share certificate; or
- e) In the event the signature in the Tender Form and Form SH-4 do not match as per the specimen signature recorded with Company or Registrar.

21. NOTE ON TAXATION

THE SUMMARY OF THE TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE TAX LAWS OF INDIA AND THE REGULATIONS THEREUNDER, THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, WHICH ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT TAX IMPLICATIONS.

IN VIEW OF THE PARTICULARISED NATURE OF TAX CONSEQUENCES, 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 COMPANY DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY TAX IMPLICATIONS RELATING TO THE TREATMENT OF

INCOME TAX IN THE CASE OF BUY-BACK OF LISTED EQUITY SHARES ON THE STOCK EXCHANGE SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

I. GENERAL

The Indian tax year runs from 1st April to 31st March. The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. A person who is a tax resident of India is liable to taxation in India on his worldwide income, subject to certain prescribed tax exemptions provided under the Income Tax Act 1961 (“Income Tax Act” or “ITA”).

A person who is treated as a non-resident for Indian tax purposes is generally liable to tax in India only on his/her Indian sourced income or income received by such person in India. In case of shares of a company, the source of income from shares would depend on the ‘situs’ of the shares. As per judicial precedents, generally the “situs” of the shares is where company is “incorporated” and where its shares can be transferred. Accordingly, since the Company is incorporated in India, the shares of the Company would be “situated” in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the ITA subject to any specific exemption in this regard. Further, the non-resident can avail the beneficial tax treatment prescribed under the relevant Double Taxation Avoidance Agreement (“DTAA”) subject to satisfaction of the relevant conditions and documentary compliance requirements prescribed under the ITA.

The ITA also provides for different tax regimes / rates applicable to the gains arising on buyback of shares, based on the period of holding, residential status and category of the shareholder, nature of the income earned, etc. The summary tax implications on buyback of equity shares listed on the stock exchanges in India is set out below. All references to equity shares in this note refer to equity shares listed on the stock exchanges in India unless stated otherwise.

II. CLASSIFICATION OF SHAREHOLDERS

Shareholders can be classified under the following categories:

A) Resident Shareholders being:

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
- Others:
 - Company
 - Other than Company

B) Non Resident Shareholders being:

- Non Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
 - Company
 - Other than Company

III. CLASSIFICATION OF INCOME

Shares can be classified under the following two categories:

- A) Shares held as investment (Income from transfer taxable under the head “Capital Gains”)
- B) Shares held as stock-in-trade (Income from transfer taxable under the head “Profits and Gains of Business or Profession”, hereinafter referred to as “business income”)

Gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade).

Further, investments by FII / FPI in any securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be treated as capital asset and the transfer of such shares would be treated as “capital gains” under the provisions of the Income Tax Act.

A) SHARES HELD AS INVESTMENT

- i. As per the provisions of the Income Tax Act, where the shares are held as investments, income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains on Buy-back of shares are governed by the provisions of Section 46A of the Income Tax Act and would attract capital gains in the hands of shareholders as per computation provisions contained in Section 48 of the Income Tax Act. The provisions of buy-back tax on the Company under Section 115QA in Chapter XII-DA of the Income Tax Act does not apply for shares listed on the stock exchange.

ii. Period of holding

Depending on the period for which the shares are held, the gains would be taxable as ‘short term capital gain’ or ‘long term capital gain’ as stated below:

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

iii. Buy-back of shares through a recognised stock exchange

Where a transaction for transfer of such equity shares (i.e. buy-back) is executed through a recognised stock exchange, they are liable to Securities Transaction Tax (‘STT’). STT is a tax payable in India on the value of securities on every purchase or sale of securities that are listed on the recognised Stock Exchange in India. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security:

- As per the provisions of the ITA as amended by the Finance Act, 2018, the exemption to LTCG provided u/s. 10(38) of ITA has been withdrawn and tax is levied on LTCG exceeding ₹ 1 Lac in a financial year arising on transfer of listed equity shares @ 10% without allowing the benefit of indexation. However, gains accrued on such equity shares till 31st January, 2018 have been exempted by providing that the cost of acquisition in respect of such equity shares which would be transferred on or after 1st April, 2018 shall be higher of i) the actual cost of acquisition of such equity shares acquired before 1st February, 2018 or ii) the lower of a) the highest price of such equity shares quoted on the recognised stock exchange on the 31st January, 2018; or b) the actual sale value of such equity shares.
 - STCG arising from such transaction would be subject to tax @ 15% under Section 111A of the Income Tax Act
- iv. Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the tax on such STCG taxable under Section 111A of the Income Tax Act. In such cases, where the total income as reduced by such STCG is below the maximum amount not chargeable to tax, then such STCG shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income tax and on the balance of STCG, if any, income tax @ 15% is charged. In addition to the above STCG tax, surcharge, health and education cess are leviable (Please refer to paragraph 21. V. below for rate of surcharge and cess).
- v. Further in case of Eligible Shareholders being companies as defined under the Income Tax Act, the tax provisions of minimum alternate tax on book profits as provided u/s. 115JB of the Income Tax Act need to be considered depending on their income and losses, etc. for the year.
- vi. Non-resident shareholders can avail beneficial provisions of the applicable DTAA, if any, entered into by India with relevant country in which the shareholder is resident but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.

B) SHARES HELD AS STOCK-IN-TRADE

If the shares are held as stock-in-trade by any of the shareholders of the Company, then the gains would be characterized as business income and taxable under the head “Profits and Gains of Business or Profession”. In such a case, the provisions of Section 46A and Section 48 of the Income Tax Act will not apply.

i. Resident Shareholders

- a) For individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
- b) Domestic company having turnover or gross receipts not exceeding Rs. 250 Crore in the previous year i.e. 2016 -17 would be taxable @ 25%
- c) For persons other than stated in (a) and (b) above, profits would be taxable @ 30% or other applicable tax rate.

No benefit of indexation by virtue of period of holding would be available in any case.

ii. Non Resident Shareholders

- a) Non-resident shareholders can avail beneficial provisions of the applicable DTAA , if any, entered into by India with relevant shareholder country but subject to fulfilling relevant conditions and submitting/ maintaining necessary documents prescribed under the Income Tax Act.
- b) Where DTAA provisions are not applicable:
 - For non-resident individuals, HUF, AOP, BOI, profits would be taxable at slab rates.
 - For foreign companies, profits would be taxed in India @ 40%.
 - For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

In addition to the above, surcharge, health and education cess are leviable (Please refer to paragraph 21. V. below for rate of surcharge and cess).

IV. TAX DEDUCTION AT SOURCE

A) In case of Resident Shareholders

In absence of any specific provision under the Income Tax Act, the Company is not required to deduct tax at source on the consideration payable to resident shareholders pursuant to the Buy-back.

B) In case of Non-resident Shareholders

Since the Buy-back is undertaken through the Stock Exchange, the responsibility of discharge of the tax due on the gains (if any) is primarily on the Non-Resident Shareholder. It is therefore important for the Non-Resident Shareholders to appropriately compute such gains (if any) on this transaction and immediately pay taxes in India (either through deduction at source or otherwise) in consultation with their custodians/ authorized dealers/ tax advisors appropriately.

The non-resident shareholders undertake to indemnify the Company if any tax demand is raised on the Company on account of gains arising to the non-resident shareholders on buyback of Equity Shares by the Company. The non-resident shareholders also undertake to provide the Company, on demand, the relevant details in respect of the taxability / non-taxability of the proceeds arising on buyback of Equity Shares by the Company, copy of tax return filed in India, evidence of the tax paid etc.

V. RATE OF SURCHARGE AND CESS

In addition to the basic tax rate, surcharge, health and education cess are leviable as under:

A) Surcharge

- In case of domestic companies: Surcharge @ 12% is leviable where the taxable income exceeds ₹10 crores and @ 7% where the taxable income exceeds ₹1 crore but does not exceed ₹10 crores.
- In case of companies other than domestic companies: Surcharge @ 5% is leviable where the taxable income exceeds ₹10 crores and @ 2% where the taxable income exceeds ₹1 crore but does not exceed ₹10 crores.

- In case of individual, HUF, AOP, BOI: Surcharge @15% is leviable where the taxable income exceeds ₹1 crore and @ 10% where the taxable income exceeds ₹ 50 lakh but does not exceed ₹1 crore
- In case of Firm, Local Authority: Surcharge @12% is leviable where the taxable income exceeds ₹ 1 crore.

B) Cess

Health and education cess @ 4% is leviable in all cases

The above note on taxation sets out the provisions of law in a summary manner only and is not a complete / exhaustive analysis or listing of all potential tax consequences on the disposal of equity shares under the Buy-back. 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.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Part A of Schedule II to the Buy-back Regulation:

The Board of Directors made declaration as on the date of passing the board resolution approving the Buy-back i.e. August 31, 2018 that:

1. The Board of Directors confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
2. It has, based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Act formed an opinion:
 - a) that immediately following the date of convening of the Board Meeting ie. August 31, 2018 at which the Buy-back of the Company's Equity Shares is approved, there shall be no grounds on which the Company could be found unable to pay its debts; and
 - b) that as regards the Company's prospects for the year immediately following the date of the Board Meeting held to approve the Buy-back 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 shall be able to meet its liabilities as and when they fall due and shall not be rendered insolvent within a period of one year from the date of the Board Meeting approving such Buy-back.
 - c) In forming its opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 (including prospective and contingent liabilities)

For and on behalf of the Board of Directors of J.B. Chemicals & Pharmaceuticals Limited

| | |
|--|--|
| Sd/- | Sd/- |
| Jyotindra B Mody Managing Director (DIN): 00034851) | Pranabh Mody President & Whole time Director (Operations) (DIN: 00035505) |

23. AUDITORS CERTIFICATE

The text of the report dated September 1, 2018 received from Damania & Varaiya Chartered Accountants, the Statutory Auditors of the Company and the Statement of computation of permissible capital payments for the proposed Buy-back of Equity Shares of the Company, addressed to the Board of Directors of the Company is reproduced below.

Quote

To,
The Board of Directors
J.B. Chemicals & Pharmaceuticals Limited

Dear Sirs /Madam,

Subject: Statutory Auditor's Report in respect of proposed buyback of equity shares by J.B. Chemicals & Pharmaceuticals Limited ('the Company') in terms of clause (xi) of Part A of Schedule II of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) ("Buyback Regulations").

1. This Report is issued in accordance with the terms of our engagement letter dated August 25, 2018.
2. The Board of Directors of the Company have approved a proposal for buy-back of Equity Shares by the Company at its meeting held on August 31, 2018 in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") and the Buyback Regulations.
3. We have been requested by the Management of the Company to provide a report on the accompanying Statement of permissible capital payment ("Annexure A") as at March 31, 2018 (hereinafter referred together as the "Statement") This Statement has been prepared by the Management of the Company, which we have initialled for identification purposes only.

Management's Responsibility for the Statement

4. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditors Responsibility

5. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide a reasonable assurance:
 - i) whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements as at and for the year ended March 31, 2018.
 - ii) if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone financial statements as at March 31, 2018 in accordance with Section 68(2) of the Companies Act, 2013; and
 - iii) if the Board of Directors of the Company, in their meeting held on August 31, 2018 have formed the opinion as specified in Clause (x) of Part A of Schedule II to the Buy-Back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the aforesaid date.
6. The standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated May 25, 2018. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("the ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance note on Audit Reports and Certificates for Special Purposes issued by the ICAI ("Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

Opinion

9. Based on enquiries conducted and our examination as above, we report that:
- We have enquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the year ended March 31, 2018 which has been approved by the Board of Directors of the Company on May 25, 2018.
 - The amount of permissible capital payment towards the proposed buy back of equity shares as computed in the Statement attached herewith, is properly determined in our view in accordance with Section 68 (2)(c) of the Act. The amounts of share capital and free reserves (including securities premium) have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2018.
 - The Board of Directors of the Company, in their meeting held on August 31, 2018 have formed their opinion as specified in clause (x) of Part A of Schedule II to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated August 31, 2018.

Restriction on Use

This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include it in public announcement, draft letter of offer, letter of offer and other documents pertaining to buyback to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Damania & Varaiya

Chartered Accountants

ICAI Firm Registration Number: 102079W

Sd/-

CA Bharat Jain

Partner

Membership Number: 100583

Place: Mumbai

Date: 01st September, 2018

Annexure A

Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68 (2) (c) of the Companies Act, 2013 based on audited standalone financial statements as at and for the year ended March 31, 2018:

| Particulars | Amount ₹ in Crores | Amount ₹ in Crores |
|---|--------------------|--------------------|
| Total paid up equity share capital and free reserves as at March 31, 2018, based on the audited standalone financial statements of the Company as at and for the year ended March 31, 2018 | | |
| Total paid up Equity Share Capital (A) | | 16.71 |
| Free Reserves, comprising` | | |
| - Securities premium account | 49.46 | |
| - General reserve | 435.48 | |
| - Retained earnings (excluding unrealized/notional gain) | 873.25 | |

| | | |
|---|--|----------------|
| Total Free Reserves (B) | | 1358.19 |
| Total (A+B) | | 1374.90 |
| Maximum amount Permissible towards Buy-back of Equity Shares in accordance with Section 68(2) (c) of the Companies Act, 2013 (25% of paid up equity capital and free reserves) | | 343.73 |

Unquote

24. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Corporate Office of the Company at Cnergy IT Park, Unit A2, 3rd floor, Appa Saheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India between 10 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the offer period:

- (i) Certificate of Incorporation of the Company.
- (ii) Memorandum and Articles of Association of the Company.
- (iii) Audited financial statement of the Company for the preceding three financial years, viz. March 31, 2018, 2017, and 2016 and Limited Review Report for the Quarter ended as on June 30, 2018.
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on August 31, 2018 approving the proposal of the Buy-back.
- (v) Certificate dated September 1, 2018 received from Damania & Varaiya., the Statutory Auditors of the Company, in terms of clause (xi) of Part A to Schedule II of the Buy-back Regulations.
- (vi) Copy of Public Announcement dated September 3, 2018 published in the newspapers on September 4, 2018 regarding Buy-back.
- (vii) Copy of Declaration of Solvency and an affidavit verifying the same as per Form SH-9 prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (viii) Certificate dated September 1, 2018 by Damania & Varaiya., Chartered Accountants, certifying that the Company has made firm financial arrangements for fulfilling its obligations under the Buy-back, in accordance with the Buy-back Regulations.
- (ix) Copy of the Escrow Agreement dated [●] executed amongst the Company, Escrow Agent and the Manager to the Buy-back.
- (x) SEBI comments received on DLoF vide letter dated [●] issued in terms of the Buy-back Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

The Equity Shareholders may contact the Compliance Officer of the Company for any clarifications or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Mr. Mayur Mehta

Company Secretary & Vice President-Compliance

J.B. Chemicals & Pharmaceuticals Limited

Cnergy IT Park, Unit A2, 3rd floor, Appa Saheb Marathe Marg,
Prabhadevi, Mumbai 400 025,
Maharashtra, India.

Phone: 91-22-2439 5200 / 2439 5500; **Fax:** 91-22-2431 5331 / 2431 5334;

Email: secretarial@jbcpl.com; **Website:** www.jbcpl.com;

26. DETAILS OF THE REMEDIES AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

- (i) In case of any grievances relating to the Buy-back (e.g. non-receipt of the Buy-back consideration, share certificate, demat credit, etc.), the Eligible Shareholders can approach the Compliance Officer or the Manager to the Buy-back at investors@vivo.net and / or Registrar to the Buy-back and / or Compliance Officer(s) of the Company for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68 of the Companies Act, 2013 or any rules made there-under, for the purposes of clause (f) of sub-section (2) of Section 68 of the Companies Act, 2013, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term, or with a fine or with both in terms of the Companies Act, 2013, as the case may be.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

Registrar of Companies, Mumbai
Address: 100, Everest, Marine Drive, Mumbai- 400002.
Phone: 022-22812627/22020295/22846954
Fax: 022-22811977
Email: roc.mumbai@mca.gov.in

27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any queries, Equity Shareholders may also contact the Registrar to the Buy-back, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:

Registrar to the Buy-back:

LINK Intime

Link Intime India Private Limited

Address: C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 22 4918 6200 **Fax:** + 91 22 4918 6195

Email: jbhcem.buyback2018@linkintime.co.in; **Website:** www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

SEBI Registration Number: INR000004058 **Validity:** Permanent

CIN: U67190MH1999PTC118368

28. MANAGER TO THE BUY-BACK

VIVRO

Vivro Financial Services Private Limited

Address: 607, 608 Marathon Icon, Opp. Peninsula Corporate Park, Off Ganpatrao Kadam Marg,
Veer Santaji Lane, Lower Parel, Mumbai – 400 013, Maharashtra, India.

Tel.: +91 22 6666 8040 / 41 / 42 | **Fax:** +91 22 6666 8047

E-mail: investors@vivro.net |

Website: www.vivro.net

Contact Person(s): Mr. Harish Patel/ Mr. Yogesh Malpani

SEBI Registration Number: INM000010122 | **Validity:** Permanent |

CIN: U67120GJ1996PTC029182

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

As per regulation 19(1)(a) of the Buy-back Regulations, the Board of Directors of the Company accept full responsibility for the information contained in this Draft Letter of Offer. This Draft Letter of Offer is issued under the authority of the Board and in terms of the resolution passed by the Board on August 31, 2018.

For and on behalf of the Board of Directors of J.B. Chemicals & Pharmaceuticals Limited

| Sd/- | Sd/- | Sd/- |
|---|--|---|
| Jyotindra B Mody Managing Director (DIN: 00034851) | Pranabh Mody President & Whole time Director (DIN: 00035505) | Mayur Mehta Company Secretary & Compliance Officer (Membership Number: ACS 8854) |

Date: September 10, 2018

Place: Mumbai

30. OFFER FORM

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

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

30.3 Form No. SH-4 – Securities Transfer Form

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

Bid Number:

Date:

| | | | |
|--|--------------------------|--------------------------|---|
| BUY-BACK OPENS ON: | | [●], 2018 | |
| BUY-BACK CLOSES ON: | | [●], 2018 | |
| For Registrar / collection centre use | | | |
| Inward No. | Date | Stamp | |
| | | | |
| | | | |
| Status (please tick appropriate box) | | | |
| <input type="checkbox"/> | Individual | <input type="checkbox"/> | FII |
| <input type="checkbox"/> | Foreign Co. | <input type="checkbox"/> | NRI/OCB |
| <input type="checkbox"/> | Body Corporate | <input type="checkbox"/> | Bank / FI |
| <input type="checkbox"/> | VCF | <input type="checkbox"/> | Partnership/LLP |
| <input type="checkbox"/> | | <input type="checkbox"/> | Insurance Co. |
| <input type="checkbox"/> | | <input type="checkbox"/> | FVCI |
| <input type="checkbox"/> | | <input type="checkbox"/> | Pension / PF |
| <input type="checkbox"/> | | <input type="checkbox"/> | Others (specify) |
| <input type="checkbox"/> | | <input type="checkbox"/> | |
| India Tax Residency Status: Please tick appropriate box | | | |
| <input type="checkbox"/> | Resident in India | <input type="checkbox"/> | Non-Resident in India |
| <input type="checkbox"/> | | <input type="checkbox"/> | Resident of |
| <input type="checkbox"/> | | <input type="checkbox"/> | _____ (Shareholder to fill the country of residence) |

To,
The Board of Directors
J.B. CHEMICALS & PHARMACEUTICALS LIMITED,
C/o. Link Intime India Private Limited,
C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai – 400 083, Maharashtra, India.

Dear Sirs,

Subject: Letter of Offer dated [●], 2018 in relation to Buy-back Offer of up to 33,33,333 fully paid-up Equity Shares of J.B. Chemicals & Pharmaceuticals Limited (“**Company**”) at a price of ₹ 390 per Equity Share (“**Buy-back Price**”), payable in cash.

- I / We, having read and understood the Letter of Offer dated [●], hereby tender / offer my / our Equity Shares in response to the Buy-back Offer on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buy-back the Equity Shares offered by me/us (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-back to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this tender / offer are offered for Buy-back by me / us are free from any claim /demand, lien, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-back and that I / we am / are legally entitled to tender the Equity Shares for Buy-back.
- I / we agree that the Company will pay the Buy-back Price only after due verification of the validity of the documents and that the consideration may be paid to the first named shareholder.
- In case of non-receipt of the completed Tender Form and other documents, but receipt of Equity Shares in the special account of the clearing corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted, for demat Shareholders.
- I / We agree that the consideration for the accepted Equity Shares will be paid as per secondary market mechanism.
- I / We undertake to return to the Company any Buy-back consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to give effect to the Buy-back in accordance with the Act and the Buy-back Regulations.
- Details of Equity Shares held and tendered / offered for Buy-back:

| Particulars | In Figures | In Words |
|---|------------|----------|
| Number of Equity Shares held as on Record Date i.e. Wednesday, September 12, 2018 | | |
| Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement) | | |
| Additional Equity Shares offered for Buy-Back | | |
| Total number of Equity Shares offered for Buy-back | | |

- Applicable for all Non-resident shareholders - I/ We undertake to pay income taxes in India on any income arising on such Buy-back Offer and taxable in accordance with the prevailing income tax laws in India. I/ We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-back of shares by me/ us.

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buy-back Entitlement. Number of Equity Shares validly tendered by Eligible Shareholder over and above his / her Buy-back Entitlement shall be accepted in accordance with paragraph 19.6, 19.7, 19.8, and 19.9 of the Letter of Offer. Equity Shares tendered by any Eligible Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

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Acknowledgement Slip: J.B. CHEMICALS & PHARMACEUTICALS LIMITED BUYBACK 2018

(To be filled by the Equity Shareholder) (Subject to verification)

| | | | |
|---|--|--------------------|--|
| DP Id.: | | Client Id.: | |
| Received from Mr./ Ms./Mrs. | | | |
| Form of Acceptance-cum-Acknowledgement, Original TRS along with: | | | |
| No. of Equity Shares offered for Buy-back (In figures) | | (in words) | |
| Stamp of Broker/Registrar | | | |

Please quote DP ID and Client ID for all future correspondence

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

| | |
|---|---|
| Name of the Depository (tick whichever is applicable) | <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL |
| Name of the Depository Participant | |
| DP ID No. | |
| Client ID No. with the DP | |

13. Equity Shareholders Details:

| | First/Sole Holder | Joint Holder 1 (if any) | Joint Holder 2 (if any) | Joint Holder 3 (if any) |
|--|--------------------------|--------------------------------|--------------------------------|--------------------------------|
| Full name(s) of the Equity Shareholder | | | | |
| Signature(s)* | | | | |
| PAN No. | | | | |
| Address of the Sole/First Equity Shareholder | | | | |
| Telephone No. and Email ID | | | | |

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

Instructions:

1. This Buy-back will open on [●] and close on [●].
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. The Equity Shares tendered in the Buy-back Offer shall be rejected if (i) the shareholder is not a shareholder of the Company as on the Record Date; or (ii) if there is a name mismatch in the demat account of the shareholder.
4. The Eligible Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of Equity Shares tendered by them, due to rejection or due to the Buy-back Offer being on a proportionate basis in terms of the Ratio of Buy-back.
5. Eligible Shareholders to whom the Buy-back Offer is made are free to tender Equity Shares to the extent of their Buy-back Entitlement in whole or in part or in excess of their entitlement.
6. For the procedure to be followed by Eligible Shareholders for tendering their Equity Shares in the Buy-back Offer, please refer to paragraph 20 of the Letter of Offer.
7. All documents sent by Eligible Shareholders will be at their own risk. Eligible Shareholders are advised to safeguard adequately their interests in this regard.
8. The dematerialized Equity Shares tendered by Eligible Shareholders shall be rejected in case of receipt of the completed Tender Form and other documents but non-receipt of Equity Shares in the special account of the Clearing Corporation or non-receipt of valid bid in the exchange bidding system.
9. Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buy-back Offer (including without limitation the approval from the RBI).

All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.

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

Investor Service Centre

J.B. Chemicals & Pharmaceuticals Limited Buy-back 2018

Link Intime India Private Limited

C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India.

Tel. No.: +91 22 4918 6200 **Fax:** +91 22 4918 6195

Email: jbchem.buyback2018@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

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

Bid Number:

Date:

| | | | |
|--|--|--|--|
| BUY-BACK OPENS ON: | | [●], 2018 | |
| BUY-BACK CLOSES ON: | | [●], 2018 | |
| For Registrar / collection centre use | | | |
| Inward No. | Date | Stamp | |
| | | | |
| Status (please tick appropriate box) | | | |
| <input type="checkbox"/> Individual | <input type="checkbox"/> FII | <input type="checkbox"/> Insurance Co. | |
| <input type="checkbox"/> Foreign Co. | <input type="checkbox"/> NRI/OCB | <input type="checkbox"/> FVCI | |
| <input type="checkbox"/> Body Corporate | <input type="checkbox"/> Bank / FI | <input type="checkbox"/> Pension / PF | |
| <input type="checkbox"/> VCF | <input type="checkbox"/> Partnership/LP | <input type="checkbox"/> Others (specify) | |
| | | | |
| India Tax Residency Status: Please tick appropriate box | | | |
| <input type="checkbox"/> Resident in India | <input type="checkbox"/> Non-Resident in India | <input type="checkbox"/> Resident of _____ (Shareholder to fill the country of residence) | |

To,
The Board of Directors
J.B. CHEMICALS & PHARMACEUTICALS LIMITED,
 C/o. Link Intime India Private Limited,
 C 101, 247 Park, L B S Marg, Vikhroli West,
 Mumbai – 400 083, Maharashtra, India.

Dear Sirs,

Subject: Letter of Offer dated [●] 2018 in relation to Buy-back Offer of up to 33,33,333 fully paid-up Equity Shares of J.B. Chemicals & Pharmaceuticals Limited (“Company”) at a price of ₹ 390 per Equity Share (“Buy-back Price”), payable in cash.

- I / We, having read and understood the Letter of Offer dated [●], 2018, hereby tender / offer my / our Equity Shares in response to the Buy-back Offer on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buy-back the Equity Shares offered by me/us (as mentioned below) and to issue instruction(s) to the Registrar to the Buy-back to extinguish the Equity Shares.
- I / We hereby warrant that the Equity Shares comprised in this tender / offer are offered for Buy-back by me / us are free from any claim / demand, lien, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy-back and that I / we am / are legally entitled to tender the Equity Shares for Buy-back.
- I / we agree that the Company will pay the Buy-back Price only after due verification of the validity of the documents and that the consideration may be paid to the first named shareholder.
- I / We agree that the consideration for the accepted Shares will be paid as per secondary market mechanism.
- I / We undertake to return to the Company any Buy-back consideration that may be wrongfully received by me / us.
- I / We agree that the Company is not obliged to accept any Equity Shares tendered/offered for Buy-back where loss of share certificates has been notified to the Company.
- I / We agree that the Company will pay the Buy-back Price only after due verification of the validity of the documents and that the consideration may be paid to the first named Eligible Shareholder.
- I / We authorize the Company to split the share certificate and issue new consolidated share certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-back.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to give effect to the Buy-back in accordance with the Act and the Buy-back Regulations.
- Details of Equity Shares held and tendered / offered for Buy-back:

| Particulars | In Figures | In Words |
|---|------------|----------|
| Number of Equity Shares held as on Record Date i.e. Wednesday, September 12, 2018 | | |
| Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement) | | |
| Additional Equity Shares offered for Buy-Back | | |
| Total number of Equity Shares offered for Buy-back | | |

Note: An Eligible Shareholder may tender Equity Shares over and above his / her Buy-back Entitlement. Number of Equity Shares validly tendered by Eligible Shareholder over and above his / her Buy-back Entitlement shall be accepted in accordance with paragraph 19.6, 19.7, 19.8, and 19.9 of the Letter of Offer. Equity Shares tendered by any Eligible

Shareholder over and above the number of Equity Shares held by such Eligible Shareholder as on the Record Date shall not be considered for the purpose of Acceptance.

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---Acknowledgement Slip: J.B. CHEMICALS & PHARMACEUTICALS LIMITED BUYBACK 2018
(To be filled by the Equity Shareholder) (Subject to verification)

| | | | |
|---|--|-------------------|--|
| Folio No. | | | |
| Received from Mr./ Ms./Mrs. | | | |
| Form of Acceptance-cum-Acknowledgement, Original TRS along with: | | | |
| No. of Equity Shares offered for Buy-back (In figures) | | (in words) | |
| | | | |
| Stamp of Broker/Registrar | | | |

Please quote Folio No. for all future correspondence

13. Details of Share Certificate(s) enclosed:

Total No. of Share Certificates Submitted:

| Sr. No. | Folio No. | Share Certificate No. | Distinctive No(s) | | No. of Shares |
|--------------|-----------|-----------------------|-------------------|----|---------------|
| | | | From | To | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

In case the number of folios and share certificates enclosed exceed 3 nos., Please attach a separate sheet giving details in the same format as above

14. Details of the bank account of the sole or first Shareholder to be incorporated (to be mandatorily filled):

| Name of the Bank | Branch and City | Account Number (indicate type of account) |
|------------------|-----------------|---|
| | | |

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

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

16. Equity Shareholders Details:

| | First/Sole Holder | Joint Holder 1 (if any) | Joint Holder 2 (if any) | Joint Holder 3 (if any) |
|--|-------------------|-------------------------|-------------------------|-------------------------|
| Full name(s) of the shareholder | | | | |
| Signature(s)* | | | | |
| PAN No. | | | | |
| Address of the Sole/First Equity Shareholder | | | | |
| Telephone No. / Email ID | | | | |

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

17. Applicable for all Non-resident shareholders - I/ We undertake to pay income taxes in India on any income arising on such Buy-back and taxable in accordance with the prevailing income tax laws in India. I/ We also undertake to indemnify the Company against any income tax liability on any income earned on such Buy-back of shares by me/ us.

Instructions:

- This Buy-back will open on [●], 2018 and close on [●], 2018.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Shareholders who wish to tender their Equity Shares in response to this Buy-back should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before [●], 2018 by 05.00 P.M. IST (i) The relevant Tender Form duly signed (by all Eligible Shareholders in case shares are in joint names) in the same order in which they hold the Equity Shares; (ii) Original Equity Share certificates; (iii) Self attested copy of the Permanent Account Number (PAN) Card; (iv) Affidavit made on appropriate non judicial stamp paper duly verified before a Notary confirming their signature, an original unsigned cancelled cheque and banker's attestation of the Eligible Shareholders signature and address; (v) Transfer deed (Form SH 4) duly signed (by all Eligible Shareholders in case Equity Shares are held jointly) in the same order in which they hold the Equity Shares.
- Eligible Shareholders should also provide all relevant documents in addition to the above documents, which include but are not limited to: (i) Duly attested power of attorney registered with the Registrar, if any person other than the Eligible Shareholder has signed the relevant Tender Form; (ii) Duly attested death certificate / succession certificate in case any

- Eligible Shareholder is deceased; and (iii) Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
5. Eligible Shareholders to whom the Buy-back offer is being made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
 6. All documents sent by the shareholder broker/ custodian will be at their own risk and the shareholder broker/ custodian is advised to adequately safeguard their interests in this regard.
 7. For the procedure to be followed by Equity Shareholders for tendering in the Buy-back Offer, please refer to paragraph 20 of the Letter of Offer.
 8. All documents as mentioned above, shall be enclosed with the valid Tender Form, otherwise the Equity Shares tendered will be liable for rejection. The Equity Shares shall be liable for rejection on the following grounds amongst others: (i) If there is any other company's equity share certificate enclosed with the Tender Form instead of the Equity Share certificate of the Company; (ii) If the transmission of Equity Shares is not completed, and the Equity Shares are not in the name of the Eligible Shareholders; (iii) If the Eligible Shareholders tender Equity Shares but the Registrar does not receive the Equity Share certificate; (iv) In case the signature on the Tender Form and Form SH-4 doesn't match as per the specimen signature recorded with Company/Registrar.
 9. Non-Resident Shareholders must obtain all approvals required to tender the Equity Shares held by them in this Buy-back (including without limitation the approval from the RBI).

All capitalised items not defined herein shall have the meaning ascribed to them in the Letter of Offer.

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**ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY-BACK, IF ANY, SHOULD BE
ADDRESSED TO REGISTRAR TO THE BUY-BACK AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO
NO.:**

Investor Service Centre
J.B. Chemicals & Pharmaceuticals Limited Buy-back 2018
Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India.
Tel. No.: +91 22 4918 6200 **Fax:** +91 22 4918 6195
Email: jbchem.buyback2018@linkintime.co.in
Website: www.linkintime.co.in **Contact Person:** Mr. Sumeet Deshpande

Form No. SH-4

Securities Transfer Form

[Pursuant to section 56 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Share Capital and Debentures) Rules, 2014]

Date of execution.....

FOR THE CONSIDERATION stated below the “Transferor(s)” named do hereby transfer to the “Transferee(s)” named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN: **L24390MH1976PLC019380**

Name of the company (in full): **J.B. Chemicals & Pharmaceuticals Limited**

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

DESCRIPTION OF SECURITIES:

| Kind/ Class of securities (1) | Nominal value of each unit of security (2) | Amount called up per unit of security(3) | Amount paid up per unit of security (4) |
|----------------------------------|---|--|--|
| Equity Shares | ₹ 2.00/- | ₹ 2.00/- | ₹ 2.00/- |

| No. of securities being transferred | | Consideration received (₹) | |
|-------------------------------------|----------|----------------------------|------------|
| In figures | In words | In words | In figures |
| | | | |

| | | | | | | |
|--------------------------------|------|--|--|--|--|--|
| Distinctive Number | From | | | | | |
| | To | | | | | |
| Corresponding Certificate Nos. | | | | | | |

Transferors' Particulars

Registered Folio Number:

| Name(s) in full | PAN | Signature(s) |
|-----------------|-----|--------------|
| 1. | | |
| 2. | | |
| 3. | | |

I, hereby confirm that the transferor has signed before me.

Signature of the Witness:

Name of the Witness:

Address of the Witness:

.....

.....Pincode:

Transferee's Particulars-

| Name in full | Father's/ mother's/ Spouse name | Address & E-mail id | Occupation | Existing folio No., if any | Signature |
|---|---------------------------------------|---|------------|-------------------------------|-----------|
| (1) | (2) | (3) | (4) | (5) | (6) |
| J.B. Chemicals & Pharmaceuticals Limited | N.A. | Neelam Centre, B Wing, 4th floor, Hind Cycle Road, Worli, Mumbai - 400 030, Maharashtra, India. E-mail: secretarial@jbcpl.com | Business | | |

Folio No. of Transferee

Specimen Signature of Transferee

.....

.....

Value of stamp affixed: ₹..... (Rupees
.....)

Enclosures:

- (1) Certificate of shares
- (2) If no certificate is issued, letter of allotment
- (3) Copy of PAN CARD of all the Transferors
- (4) Others specify.....

Stamps:

| |
|--|
| |
|--|

For office use only

Checked by.....

Signature tallied by.....

Entered in the Register of Transfer on vide Transfer No.....

Approval Date.....

Power of attorney/Probate/Death Certificate/Letter of Administration Registered on at
..... No.....