

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” 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

Cash Offer to Buy-back up to 12,50,000 (Twelve Lakhs Fifty Thousand) fully paid-up equity shares of the Company of face value of ₹ 2/- each (“Equity Share(s)”) from the Equity Shareholders / beneficial owners of the Equity Shares of the Company as on the Record Date i.e., Friday, June 02, 2017 (“Record Date”), on a proportionate basis, through the Tender Offer Route using stock exchange mechanism (“Tender Offer”), at a price of ₹ 400 /- (Rupees Four Hundred Only) per Equity Share (“Buy-back Price”) for an aggregate amount not exceeding ₹ 50,00,00,000 (“Buy-back Size”) excluding the Transaction Cost (“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 is in accordance with provisions of Section 68, 69, 70 and other applicable provisions of the Companies Act, 2013 (the “Act”) as amended and applicable rules made thereunder and in compliance with the Buy-back Regulations, Article 190 of the Articles of Association of the Company and is subject to other approvals, permissions and exemptions as may be required from time to time from any statutory and/ or regulatory authority.
2. The Buy-back Size of ₹ 5,000 lakhs represents 3.85% of the paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statement of the Company as at March 31, 2017 and is within the statutory limits applicable for the Buy-back of Equity Shares through Board approval route i.e. 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 1.47% of the total number of 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., Friday, June 02, 2017
4. The procedure for tendering Equity Shares and settlement is set out in paragraph 20 on page 36 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 42 of 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 32 and paragraph 21 on page 44 respectively of the 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: [●], 5. P.M. IST

MANAGER TO THE BUY-BACK

REGISTRAR TO THE BUY-BACK

VIVRO

Vivro Financial Services Private Limited

607, 608 Marathon Icon, Opp. Peninsula Corporate Park,
Off Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel,
Mumbai - 400 013.

Contact Person(s): Mr. Harish Patel / Mr. Sagar Jatakiya

Email: investors@vivro.net, **Website:** www.vivro.net

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

SEBI Registration Number: INM000010122

Validity: Permanent

CIN: U67120GJ1996PTC029182

LINK Intime

Link Intime India Private Limited

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

Tel. No.: +91 22 49186200 **Fax:** + 91 22 49186195

Email: jbchem.buyback@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	Date	Day
Date of the Board meeting held to approve the proposal for Buy-back of Equity Shares	May 23, 2017	Tuesday
Date of publication of Public Announcement for the Buy-back	May 25, 2017	Thursday
Record Date for determining the Buy-back Entitlement and the Eligible Shareholders	June 02, 2017	Friday
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 specified otherwise, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or policies shall be to such legislation, Act, regulation, rules, guidelines or policies 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, as amended and the rules and regulations made thereunder.

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.
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 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	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
BSE	BSE Limited
Buy-back or Buy-back Offer or Offer	Buy-back of up to 12,50,000 (Twelve Lakhs Fifty Thousand) fully paid-up equity shares of the Company of face value of ₹ 2/- each (" Equity Share(s) "), at a price of ₹ 400/- per equity shares for an aggregate amount not exceeding ₹ 5,000 lakhs.

Term	Description
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, to which such Eligible Shareholder belongs.
Buy-back Price	Price at which Equity Shares will be bought back from the Eligible Shareholders i.e. ₹ 400 /- (Rupees Four Hundred 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 12,50,000 Equity Shares) multiplied by the Buy-back Price (i.e. ₹ 400 /-per Equity Share) aggregating to an amount not exceeding ₹ 5,000 lakhs
BOI	Body of Individuals
Company	J.B. Chemicals & Pharmaceuticals Limited
Company's Broker	FRR Shares and Securities Limited
Compliance Officer	Mr. Mayur Mehta, Company Secretary & Compliance Officer
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 May 30, 2017 filed with SEBI.
Designated Stock Exchange	The designated stock exchange for the Buy-back is BSE.
Director	Director(s) of the Company
Eligible Shareholder(s) or Equity Shareholder(s)	All persons holding Equity Shares as on the Record Date being Friday, June 02, 2017 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/- each of the Company
Escrow Account	The Escrow Account titled " J.B. Chemicals & Pharmaceuticals Limited - Buy-back 2017 - Escrow Account " to be opened with Escrow Agent
Escrow Agent	HDFC Bank Limited
Escrow Agreement	The escrow agreement dated May 29, 2017 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)
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
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	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
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 of Ten Working Days from the Buy-back Opening Date i.e. [●] till Buy-back Closing Date i.e. [●] (both days inclusive)

Term	Description
Period	
Promoters and Promoter Group	Promoters, Promoter Group and Persons Acting in Concert including such persons as have been disclosed under the filings as per filings made by the Company from time to time under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended.
Public Announcement / PA	Public announcement in relation to Buy-back was published on May 25, 2017 in Financial Express (English national daily), Jansatta (Hindi national daily) and Mumbai Tarun Bharat (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 Eligible 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 Friday, June 02, 2017.
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 (who is a member of the BSE) of an Eligible Shareholder, through whom the Eligible Shareholder may participate in the Buy-back
Small Shareholder	An Eligible Shareholder who holds Equity Shares of market value not more than ₹ 2,00,000/- (Rupees Two Lakhs only) on the basis of closing price on the Recognised Stock Exchange registering the highest trading volume on the Record Date.
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 and sent to the Registrar by the Eligible Shareholders to participate in the Buy-back
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 May 30, 2017 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 May 24, 2017 and the Draft Letter of Offer dated May 30, 2017 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 May 25, 2017 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. This Draft 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 this Draft 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 this Draft 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 May 23, 2017. 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, 70 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”**) and subject to such other approvals permissions and sanctions as may be necessary, consent of the Board of Directors (herein referred to as the **“Board”**) be and is hereby accorded for the Buy-back of fully paid up equity shares by the Company having face value of 2/- each (**“Equity Share(s)”**) up to 12,50,000 Equity Shares (representing 1.47% of the total paid-up equity share capital of the Company) at a price of Rs. 400/- (Rupees Four hundred only) (**“Buy-back Price”**) per Equity Share payable in cash for a total consideration not exceeding Rs.50,00,00,000/-(Rupees Fifty crores only), excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service 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 financial statement of the Company for the financial year ended on March 31, 2017 through the **“Tender Offer”** route as prescribed under the Buy-back Regulations (the process being referred hereinafter 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 by the Company from time to time under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Friday, June 2, 2017 as the Record Date for the purpose of 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 such number of Equity Shares entitled as per the shareholding of small shareholders, 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 Institutional 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 approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any.

RESOLVED FURTHER THAT the amount required by the Company for the Buy-back is to be met out of the 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 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, as amended ("**Listing Regulations**").

RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buy-back Regulations, Mr. Mayur Mehta, Company Secretary and Compliance Officer, 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 not exceeding Rs.50,00,00,000 (Rupees Fifty crores only) 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 financial statement of the Company for the year ended on March 31, 2017 and the maximum number of Equity Shares proposed to be bought back under the Buy-back i.e.12,50,000 equity shares does not exceed 25% of the total number of equity shares in the paid up 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 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 are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks;
- x. The ratio of the aggregate of secured and unsecured debts owned by the Company immediately after the Buy-back shall not be more than twice the paid up capital and free reserves of the Company;
- xi. There shall not be pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act outstanding as on the date of Public Announcement;
- xii. The Company will not withdraw the Buy-back after the Draft Letter of Offer is filed with the SEBI or Public Announcement of Buy-back is made;
- 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 Shares, 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, documents, applications, consents, undertakings, declarations, confirmation 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 one of the Directors 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 following opinion that:

- a) Immediately following the date of this Board Meeting, there will be no grounds on which the Company could be found unable to pay its debts;
- b) That as regards the Company's prospects for the year immediately following the date of this Board Meeting, approving 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 and other documents, 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, 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. execute, sign, affirm and deliver all such documents including consent letter, power of attorney, certificates, instruments, agreements, letters, undertakings, memorandum of understanding, declarations, affidavits, engagement/appointment letters, indemnity, bank guarantee, ROC forms etc. as may be required in connection with this resolution or the Buy-back and/ or otherwise considered by them in the best interest of the Company;
4. settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company; and
5. do and perform all such acts, matters, deeds and things as it may in its absolute discretion deem necessary or desirable for the purpose of Buy-back as is 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 in relation to the Buy-back which was published on May 25, 2017 in the following newspapers, within two Working Days from the date of Board Meeting held to approve the Buy-Back i.e. May 23, 2017:

Name of the Newspaper	Language	Editions
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Mumbai Tarun Bharat	Marathi	Regional Edition

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

6. DETAILS OF THE BUY-BACK

- 6.1** In accordance with Article 190 of the Articles of Association of the Company and provisions of section 68, 69, 70 and other applicable provisions of the Act, rules made thereunder and in compliance with the Buy-back Regulations and subject to such other approvals, permissions and sanctions as may be necessary, the Board of Directors of the Company at its meeting held on May 23, 2017 has approved the Buy-back of up to

12,50,000 fully paid up Equity Shares of the Company having face value of ₹ 2 /- each (representing 1.47 % of the number of Equity Shares of the Company) at a price of ₹ 400 /- (Rupees Four Hundred Only) per Equity Share payable in cash for a total consideration not exceeding ₹ 5,000 lakhs excluding Transaction Costs viz. fees, brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc., which is within the limit of 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, 2017 through the Tender Offer route as prescribed under the Buy-back Regulations (the process being referred hereinafter 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 of the Company as on the 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Securities and Exchange Board of India (**“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 4,72,98,137 Equity Shares of the Company representing 55.76% 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 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 equity share capital and free reserves (including securities premium account) based on the standalone audited financial statement of the Company as at March 31, 2017 is ₹ 1,29,808 lakhs. As per proviso to 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 ₹ 5,000 lakhs for the proposed Buy-back representing 3.85 % 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, 2017 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 2,12,04,993 Equity Shares, being 25% of the number Equity Shares of the Company, i.e., 8,48,19,975 Equity Shares. Since the Company proposes to Buy-back up to 12,50,000 Equity Shares, the same is within the aforesaid limit.
- 6.7 The Buy-back of Equity Shares may be subject to taxation in India and in the country of residence of the Eligible Shareholder(s). 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, the level of holding of Public shareholders in the Company shall not fall below the minimum level of public shareholding required to be maintained in terms of Securities Contract (Regulation) Rules, 1957("SCRR") and under LODR Regulations

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, the provisions of Section 68, 69 and 70 of the Act and all other applicable provisions, if any, of the Act, the Companies (Share Capital and Debentures) Rules, 2014, to the extent applicable, and in compliance with the Buy-back Regulations and in terms of resolution passed by the Board at its meeting held on May 23, 2017.
- 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 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(la) 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 ₹ 5,000 lakhs 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 29,01,242 Equity shares which is as follows:

Sr. No.	Particulars	Shares held on May 23, 2017	Maximum No. shares which may be tendered
1	Jyotindra Bhagwanlal Mody	53,71,905	2,68,000
2	Dinesh Bhagwanlal Mody	47,38,932	2,37,000
3	Shirish Bhagwanlal Mody	50,56,312	2,53,000
4	Kumud Dinesh Mody	48,39,944	2,42,000
5	Bharati Shirish Mody	49,63,002	2,48,000
6	Pallavi Bharat Mehta	52,01,207	2,60,000
7	Pranabh Dinesh Mody	49,40,172	2,47,000
8	P D Mody (Held For P D Mody HUF)	7,000	350
9	Sejal Pranabh Mody	50,000	2,500
10	Nirav Shirish Mody	49,84,979	2,49,000
11	Jinali Pranabh Mody	3,000	150
12	Purvi Uday Asher	3,75,000	18,750
13	Jay Bharat Mehta	24,58,608	1,23,000
14	Uday Madhavdas Asher	1,35,000	1,35,000
15	Kantaben Vinaychandra Gosalia	25,880	360
16	Priti Rajen Shah	10,000	500
17	Bharat P Mehta	26,57,359	1,33,000
18	Vibha Anupam Mehta	6,800	6,800
19	Anupam Pravinchandra Mehta	5,000	5,000
20	Nisha Vinaychandra Gosalia	2,420	Nil
21	Rajniiben Shashikant Zaveri	11,500	11,500
22	Ila Dipak Parekh	9,800	Nil
23	Pallavi Bharat Mehta (Held For Mody Trading Co.)	53,485	2,675
24	Jyotindra B Mody (Held For Mody Bros.)	19,125	950
25	Nirav Shirish Mody (As A Trustee Of Priti Family Trust)	2,25,000	11,250
26	Nirav Shirish Mody (As A Trustee Of Deepali Family Trust)	2,25,000	11,250
27	Namplas Chemicals Pvt Ltd	1,23,110	1,23,110
28	Boxcare Packagings Pvt. Ltd.	8,830	8,830
29	Synit Drugs Pvt Ltd	750	750
30	Nitin Doshi	2,61,115	2,61,115
31	Bharat K Doshi	25,402	15,402
32	Dinesh Bhagwanlal Mody (Held For D B Mody HUF)	5,02,500	25,000
	Total	4,72,98,137	29,01,242

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.

1) Jyotindra Bhagwanlal Mody

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	26,500	2.00	Nil	Nil

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
July 1, 1989	Conversion of fully convertible debentures to equity shares	41,000	2.00	3.00	1,23,000
August 16, 1993	Market Purchase	22,500	2.00	55.08	12,39,350
December 1, 1993	Bonus issue	44,750	2.00	Nil	Nil
August 11, 1994	Market Purchase	5,000	2.00	54.66	2,73,312
June 27, 1995	Market Purchase	1,500	2.00	56.58	84,870
August 9, 1995	Market Purchase	1,500	2.00	43.43	65,145
January 5, 1996	Market Purchase	500	2.00	37.55	18,775
February 28, 1996	Market Purchase	500	2.00	37.55	18,775
July 13, 1998	Market Purchase	17,500	2.00	28.25	4,94,425
December 1, 1998	Bonus issue	1,06,750	2.00	Nil	Nil
	Total	2,68,000			

2) Dinesh Bhagwanlal Mody

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
April 26, 1995	Market Purchase	300	2.00	55.49	16,647
May 7, 2015	Allotment of shares under the Scheme of Arrangement	2,36,700	2.00	Nil	Nil
	Total	2,37,000			

3) Shirish Bhagwanlal Mody

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
December 1, 1998	Bonus issue	24,250	2.00	Nil	Nil
August 22, 2000	Market Purchase	15,000	2.00	21.86	3,27,900.00
August 25, 2000	Market Purchase	15,675	2.00	20.82	3,26,353.50
October 4, 2000	Market Purchase	18,565	2.00	20.22	3,75,384.30
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

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
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	22,207.01
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	12,037.00
November 21, 2000	Market Purchase	1,650	2.00	25.02	41,289.60
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 of Arrangement	25,450	2.00	Nil	Nil
	Total	2,53,000			

4) Kumud Dinesh Mody

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
July 1, 1983	Allotment on acquisition of business of a partnership firm	500	2.00	Nil	Nil
August 16, 1993	Market Purchase	5,500	2.00	48.40	2,66,200.00
December 1, 1993	Bonus issue	3,000	2.00	Nil	Nil
December 1, 1998	Bonus issue	9,000	2.00	Nil	Nil
November 7, 2000	Market Purchase	2,240	2.00	24.91	55,798.40
December 15, 2000	Allotment of shares under the Scheme of Arrangement	84,625	2.00	Nil	Nil
May 7, 2015	Allotment of shares under the Scheme of Arrangement	1,37,135	2.00	Nil	Nil
	Total	2,42,000			

5) Bharati Shirish Mody

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
July 1, 1983	Allotment on acquisition of business of a partnership firm	500	2.00	Nil	Nil
August 16, 1993	Market Purchase	5,500	2.00	55.21	3,03,650.00
December 1, 1993	Bonus issue	3,000	2.00	Nil	Nil
July 13, 1998	Market Purchase	12,500	2.00	28.25	3,53,075.00
December 1, 1998	Bonus issue	21,500	2.00	Nil	Nil
November 6, 2000	Market Purchase	2,055	2.00	24.27	49,874.85
November 7, 2000	Market Purchase	2,235	2.00	24.92	55,696.20
December 15, 2000	Allotment of shares under the Scheme of Arrangement	94,125	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	94,345	2.00	Nil	Nil
	Total	2,48,000			

6) Pallavi Bharat Mehta

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
January 16, 1986	Subscription in IPO	500	2.00	2.00	1,000
December 1, 1993	Bonus issue	250	2.00	Nil	Nil
October 3, 1996	Rights issue	50,195	2.00	16.00	8,03,120
December 1, 1998	Bonus issue	50,945	2.00	Nil	Nil
December 15, 2000	Allotment of shares under the Scheme of Arrangement	1,58,110	2.00	Nil	Nil
	Total	2,60,000			

7) Pranabh Dinesh Mody

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
June 1, 1989	Market Purchase	23,500	2.00	3.00	70,500
December 28, 1991	Market Purchase	250	2.00	30.00	7,500

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
December 1, 1993	Bonus issue	12,625	2.00	Nil	Nil
October 3, 1996	Rights issue	7,600	2.00	16.00	1,21,600
December 1, 1998	Bonus issue	45,475	2.00	Nil	Nil
December 15, 2000	Allotment of shares under the Scheme of Arrangement	81,875	2.00	Nil	Nil
April 30, 2001	Market Purchase	6,000	2.00	16.57	99,400
May 7, 2015	Allotment of shares under the Scheme of Arrangement	69,675	2.00	Nil	Nil
	Total	2,47,000			

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
	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	Right Issue	2,500	2.00	16.00	40,000
	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	93,500	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	30,500	2.00	Nil	Nil
	Total	2,49,000			

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
	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	Right Issue	18,750	2.00	16.00	3,00,000
	Total	18,750			

13) Jay Bharat Mehta

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
November 11, 2000	Market Purchase	2,050	2.00	24.27	49,761.70
May 7, 2015	Allotment of shares under the Scheme of arrangement	1,20,950	2.00	Nil	Nil
	Total	1,23,000			

14) 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	5,925	2.00	3.00	17,775
July 1, 1989	Conversion of fully convertible debentures to equity shares	5,925	2.00	3.00	17,775
September 15, 1992	Market Purchase	750	2.00	42.00	31,500
December 1, 1993	Bonus issue	14,550	2.00	Nil	Nil
June 16, 1994	Market Purchase	1,000	2.00	65.47	65,470
November 7, 1994	Market Purchase	2,500	2.00	76.00	1,90,000

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
August 13, 1996	Market Purchase	5,000	2.00	19.8	99,000
August 14, 1996	Market Purchase	10,500	2.00	19.70	2,06,800
August 16, 1996	Market Purchase	12,000	2.00	19.73	2,36,800
August 19, 1996	Market Purchase	5,000	2.00	19.6	98,000
August 20, 1996	Market Purchase	5,500	2.00	19.53	1,07,400
August 21, 1996	Market Purchase	2,980	2.00	19.4	57,812
October 18, 1996	Market Purchase	1,000	2.00	14.17	14,174
December 1, 1998	Bonus issue	62,370	2.00	Nil	Nil
	Total	1,35,000			

15) Kantaben Vinaychandra Gosalia

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	75	2.00	3.00	225.00
July 1, 1989	Conversion of fully convertible debentures to equity shares	75	2.00	3.00	225.00
October 3, 1996	Rights issue	30	2.00	16.00	480.00
December 1, 1998	Bonus issue	180	2.00	Nil	Nil
	Total	360			

16) 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			

17) Bharat P Mehta

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
July 1, 1995	Market Purchase	20,470	2.00	2.00	40,940
October 3, 1996	Rights issue	25,155	2.00	16.00	4,02,480
December 1, 1998	Bonus issue	87,375	2.00	Nil	Nil
	Total	1,33,000			

18) Vibha Anupam Mehta

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
June 6, 2011	Market Purchase	2,800	2.00	122.88	3,44,064.00
June 9, 2011	Market Purchase	3,000	2.00	118.32	3,54,970.55
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	6,800			

19) Anupam Pravinchandra Mehta

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
March 29, 2010	Market Purchase	1,000	2.00	73.39	73,385
June 28, 2010	Market Purchase	2,000	2.00	92.64	1,85,280
June 2, 2011	Market Purchase	2,000	2.00	123.22	2,46,440
	Total	5,000			

20) Rajniben Shashikant Zaveri

Date of Transaction	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Acquisition Price per Equity Share (₹)	Total Consideration (₹)
December 30, 2004	Market Purchase	1,500	2.00	93.66	1,40,490.00
December 31, 2004	Market Purchase	10,000	2.00	95.08	9,50,800.00
	Total	11,500			

21) 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			

22) 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			

23) 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	11,250	2.00	Nil	Nil
	Total	11,250			

24) 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	11,250	2.00	Nil	Nil
	Total	11,250			

25) 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	12,500	2.00	3.00	37,500
July 1, 1989	Conversion of fully convertible debentures to equity shares	20,000	2.00	3.00	60,000
December 1, 1993	Bonus issue	16,250	2.00	Nil	Nil
October 3, 1996	Rights issue	12,805	2.00	16.00	2,04,880
December 1, 1998	Bonus issue	61,555	2.00	Nil	Nil
	Total	1,23,110			

26) 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
January 1, 1989	Conversion of fully convertible debentures to equity shares	750	2.00	3.00	2,250
July 1, 1989	Conversion of fully convertible debentures to equity shares	250	2.00	3.00	750
December 1, 1993	Bonus issue	1,250	2.00	Nil	Nil
October 3, 1996	Rights issue	665	2.00	16.00	10,640
December 1, 1998	Bonus issue	4,415	2.00	Nil	Nil
	Total	8,830			

27) 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	750	2.00	62.00	46,500
	Total	750			

28) 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
January 1, 1989	Conversion of fully convertible debentures to equity shares	18,750	2.00	3.00	56,250
July 1, 1989	Conversion of fully convertible debentures to equity shares	18,750	2.00	3.00	56,250
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
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			

29) Bharat K Doshi

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	15,402	2.00	Nil	Nil
	Total	15,402			

30) 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			

- 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, 2017 are as under:

Parameters	Pre Buy-back	Post Buy-back [^]
Net Worth (₹ in lakhs)	138,786.13	133,786.13
Return on Net Worth (%)	13.46%	13.73%
Earnings Per Share (EPS) (Basic) (in ₹)	20.07	20.37
Book Value per share (in ₹)	163.62	160.09
Price / Earnings Multiple	17.24	16.99
Total Debt / Equity Ratio	0.035	0.037

[^] The Net worth, Earnings per share and Book value per Equity Share has been calculated using the Net worth and Total Comprehensive Income after Tax as on March 31, 2017 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 = Total Comprehensive Income After Tax / Average Net Worth for the period (computed as average of opening and closing Net Worth).
- (3) Earnings per Share = Total Comprehensive Income After Tax / weighted average number of Equity Shares outstanding for the year.
- (4) EPS post Buy-back is computed after reducing 12,50,000 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 as on March 31, 2017 / EPS excluding exceptional items as per latest audited financial statements.
- (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 ₹ 400/- 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 ₹ 400 /- per Equity Share represents (i) premium of 17.88 % 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 16.05% over the volume weighted average price of the equity shares on and the NSE for 2 (two) weeks preceding the date of Board Meeting held to consider the proposal of the Buy-back; (iii) premium of 16.40% and 16.19% 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 May 17, 2017 was ₹ 352.75 on BSE and ₹ 352.70 on NSE. The Buy-back Price of ₹ 400 /- amounts to a premium of 13.39% and 13.41% 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 244.47% of the book value per Equity Share of the Company, which is ₹ 163.62 as at March 31, 2017.

10.5. The EPS of the Company pre Buy-back as on March 31, 2017 is ₹ 20.07 which will increase to ₹ 20.37 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, 2017 is 13.46% which will increase to 13.73% 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 ₹ 5,000 lakhs 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 HDFC Bank Limited, 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 May 29, 2017, pursuant to which the Escrow Account in the name and style "**J.B. Chemicals & Pharmaceuticals Limited - Buy-back 2017 - Escrow Account**" bearing account number 57500000024926 has been opened with the Escrow Agent. The Manager has been empowered to operate the Escrow Account in accordance with the Buy-back Regulations. In accordance with Regulation 10 of the Buy-back Regulations, the Company proposes to deposit 1% of Buy-back in the Escrow Account and issue a bank guarantee of 25% of Buy-back in favor of the Manager to the Buy-back on or before the opening 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 May 24, 2017 by J.K.Shah & Co., Chartered Accountants, having office at 3rd Floor, Flat No. 14, Al-Karim Manzil, 15, Palton Road, Mumbai-400 001.

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 ₹)
A	AUTHORISED SHARE CAPITAL	
	10,15,00,000 Equity Shares of ₹ 2/- each	20,30,00,000
B	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL PRE BUY-BACK	
	8,48,19,975 Equity Shares of ₹ 2/- each	16,96,39,950
C	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL POST BUY-BACK*	
	8,35,69,975 Equity Shares of ₹ 2/- each	16,71,39,950

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

13.2. The company has not bought-back equity shares or other specified securities in the previous three years.

13.3. As on date of this Draft Letter of Offer, there are no partly paid-up Equity Shares outstanding.

13.4. As on date of this Draft Letter of Offer, there are no outstanding securities convertible into Equity Shares.

13.5. As on date of this Draft Letter of Offer, there is no amount under calls in arrears.

13.6. As on date of this Draft Letter of Offer, there is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.

13.7. 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.

13.8. The shareholding pattern of the Company (a) pre Buy-back i.e. as on May 26, 2017 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	4,72,98,137	55.76	[●]	[●]
Foreign Investors (including Non-Resident Indians FIIs and Foreign Mutual Funds)	55,95,703	6.60	[●]	[●]
Financial Institutions / Banks & Mutual Funds promoted by Banks / Institutions	58,58,002	6.91		
Others (Public, Public Bodies Corporate, etc.)	2,60,68,133	30.73		
Total	8,48,19,975	100.00	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.

13.9. 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.

13.10. 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
Vibha A. Mehta	1,900	Sale	360.00	February 03, 2017	326.90	December 23, 2016

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 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 35th in domestic market in terms of Moving Annual Turnover (MAT) March 2017 (Sources: AWACS) and is a manufacturer of some well-known brands such as Rantac (anti-peptic ulcerant), Metrogl (amoebicides) and Nicardia (anti-hypertensive). The Company derives about 55% 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 three operating subsidiaries namely, LLC Unique Pharmaceutical Laboratories (in Russia), Unique Pharmaceutical Laboratories FZE (in Dubai) 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, 2017, 2016 and 2015, the Company recorded total income of ₹ 1,24,458.45 lakhs, ₹ 1,20,109.16 lakhs and ₹ 1,07,183.00 lakhs respectively, and Total Comprehensive Income After Tax for the financial year ended March 31, 2017 of ₹ 17,026.03 lakhs and Profit after Tax for financial years ended March 31, 2016 and 2015 of ₹17,638.85 lakhs and ₹ 11,358.25 lakhs 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	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

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 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			
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

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)
	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

*Scheme of Amalgamation between Company (ie 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. May 24, 2017 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: 88 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: 80 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: 76 years Occupation: Industrialist	Whole Time Director (Marketing)	B. Sc. (Tech)	September 15, 2014	- Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited - Malabar Hill Club
Mr. Bharat P. Mehta DIN: 00035444 Age: 69 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: 53 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. Durgadass Chopra DIN: 00036036 Age: 84 years Occupation: Company Director	Independent Director	B.A., FCA	April 01, 2014	- Auric Tradefin Pvt. Ltd.

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
Dr. Satyanarain Agarwala DIN: 00036079 Age: 82 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: 59 years Occupation: Industrialist	Independent Director	Elect. Engg., Masters in computer science	April 01, 2014	- Sasken Technologies Limited - Sasken Network Engineering Limited - Centum Electronics Limited - TACO Sasken Automotive Electronics Limited
Mr. Kamlesh L. Udani DIN: 00036215 Age: 62 years Occupation:Service	Whole Time Director	B.E. (Elect), MBA	September 15, 2014	- Ifiunik Pharmaceuticals Limited - Unique Pharmaceutical Laboratories Limited - Lewens Labs Private Limited
Ms. Krupa R. Gandhi DIN: 00294629 Age: 46 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: 49 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: 66 years Occupation: Solicitor	Independent Director	Advocates & Solicitor	February 03, 2016	- Padamsey Mulji Ginning And Pressing Company Private Limited
Dr. Manoj R. Mashru DIN: 07624554 Age: 61 years Occupation: Cardiac Surgeon	Additional Director (Independent)	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. May 24, 2017 are as under:

Name of the Director	Designation	Effective Date	Reasons
Mr.Niranjan N. Maniar	Independent Director	November 23, 2016	Resignation
Mr.Manoj R. Mashru	Additional Director (Independent)	November 18, 2016	Appointment
Mr.Jashvantrai B. Joshi	Independent Director	September 29, 2016	Resignation
Mr.Mahesh K. Shroff	Independent Director	March 12, 2016	Resignation
Mr.Shaukat H. Merchant	Additional Director (Independent)	February 03, 2016	Appointment
Mr.Devang R. Shah	Additional Director (Independent)	December 16, 2014	Appointment
Mr.Sanjay K. Asher	Alternate Director	March 25, 2014	Resignation
Mr.Bansidhar S. Mehta	Independent Director	October 30, 2014	Resignation

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 audited financial statements of the Company, for the financial year ended March 31, 2017, as announced on May 23, 2017, 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 financial year ended March 31, 2017, may not be comparable with the audited financial statements of the Company for previous years.

15.2. The salient features of the financial information of the Company as extracted from the standalone audited financial statements of the Company for the last three financial years ended March 31, 2017, March 31, 2016 and March 31, 2015 are set out below:

(₹ in lakhs)

Particulars	Year ended		
	31-Mar-17 [#]	31-Mar-16	31-Mar-15
Total Income	124,458.45	120,109.16	107,183.00
Total Expenses (Excluding Finance Costs and Depreciation)	97,653.54	92,436.73	86,847.58
Finance Cost	500.13	922.27	665.01
Depreciation	4,626.42	4,040.56	3,759.99
Exceptional Items	-	-	-
Profit Before Tax	21,678.36	22,709.60	15,910.42
Tax Expense	4,381.90	5,070.75	4,552.17
Other Comprehensive Income	(270.43)		
Profit After Tax	17,026.03	17,638.85	11,358.25
Equity Share Capital	1,696.40	1,696.40	1,696.16
Reserves & Surplus [*]	137,089.73	112,478.57	99,934.99
Net worth	138,786.13	114,174.97	101,631.15
Total debt (excluding working capital loans)	364.25	9,680.19	5,121.80

^{*} 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..

[#] Prepared in accordance with Ind AS

15.3. The financial ratios of the Company as extracted from the standalone audited financial statements of the Company for the last three financial years ended March 31, 2017, March 31, 2016 and March 31, 2015 is set out below:

Particulars	Year ended		
	31-Mar-17 [#]	31-Mar-16	31-Mar-15
Earnings per Share - Basic (₹) ⁽¹⁾	20.07	20.80	13.40
Earnings per Share – Diluted (₹) ⁽¹⁾	20.07	20.80	13.39
Book Value Per Share (₹) ⁽²⁾	163.62	134.61	119.84
Return on Net worth (%) ⁽³⁾	13.46%	16.35%	11.01%
Debt-Equity Ratio ⁽⁴⁾	0.003	0.085	0.050
Total Debt / Net Worth	0.003	0.085	0.050

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

(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.*
- (6) *# Prepared in accordance with Ind AS*

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 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
FY 2014-15	257.45	September 09, 2014	3,70,669	128.75	April 01, 2014	40,384	188.30	1,44,00,913
PRECEDING 6 MONTHS								
November 2016	397.40	November 01, 2016	12,209	308.00	November 09, 2016	22,047	351.17	3,18,495
December 2016	356.10	December 06, 2016	3,005	319.00	December 26, 2016	8,639	343.12	1,27,886
January 2017	361.00	January 03, 2017	7,919	337.00	January 31, 2017	4,070	345.76	83,281
February 2017	367.65	February 02, 2017	37,292	325.00	February 15, 2017	7,072	337.98	5,82,929
March 2017	353.00	March 29, 2017	22,119	315.10	March 14, 2017	11,438	333.63	2,77,470
April 2017	363.00	April 05, 2017	5,538	322.20	April 19, 2017	4,262	338.55	1,72,385

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 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,	5,59,392	199.00	April 01,	1,98,704	257.71	4,32,96,126

		2015			2015			
FY 2014-15	257.90	September 09, 2014	13,59,061	128.25	April 01, 2014	1,77,523	188.38	5,14,62,692
PRECEDING 6 MONTHS								
November 2016	399.00	November 01, 2016	77,144	305.00	November 09, 2016	1,12,904	351.09	19,51,962
December 2016	357.60	December 06, 2016	30,686	319.75	December 26, 2016	35,397	343.25	12,10,010
January 2017	360.95	January 03, 2017	1,27,664	336.00	January 31, 2017	48,934	346.01	18,55,382
February 2017	367.95	February 02, 2017	1,99,387	324.00	February 15, 2017	32,390	338.05	17,28,409
March 2017	353.95	March 30, 2017	32,602	314.20	March 14, 2017	78,693	333.81	10,11,329
April 2017	367.50	April 05, 2017	76,434	323.30	April 19, 2017	66,034	338.65	10,38,526

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 May 22, 2017 being the Working Day previous to the day on which the Board approved the proposal for Buy-back, were ₹ 345.85 and ₹ 345.55.
- 16.4. The closing market prices of the Equity Shares on BSE and NSE on May 24, 2017 being the Working Day following the day on which the Board approved the proposal for Buy-back, were ₹ 343.65 and ₹ 344.25.
- 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 May 17, 2017 were ₹ 352.75 and ₹ 352.70.

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

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

Tel. No.: +91 22 49186000 **Fax:** + 91 22 49186060
Email: jchem.buyback@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 - 2017"**, 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 12,50,000 fully paid-up Equity Shares (representing up to 1.47 % 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 ₹ 400/- per Equity Share, payable in cash for an aggregate maximum amount of up to ₹ 50,00,00,000. The Buy-back is in accordance with the provisions of Section 68, 69, 70 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, 2017. The maximum number of Equity Shares proposed to be bought back is up to 12,50,000 Equity Shares of face value ₹. 2/- each, being 1.47 % 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 4,72,98,137 Equity Shares which represents 55.76 % 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 29,01,242 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 had fixed Friday, June 02, 2017 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, as on Record Date, 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:
- 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back i.e. 15% of 12,50,000 Equity Shares which works out to 1,87,500 Equity Shares; or
 - The number of Equity Shares entitled as per their shareholding as on Record Date i.e. $([●]/[●]) \times [●]$, which works out to be [●] Equity Shares.
 - All the outstanding fully paid-up Equity Shares have been used for computing the Buy-back Entitlement of Small Shareholders.
 - 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 second category, then the Additional Equity Shares in the second 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 second category divided by the total additional outstanding Equity Shares validly tendered in the second 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 second 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. **Friday, June 02, 2017**.
- 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.
- 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 above, 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
Tel.: 022-43344221
Contact Person: Mr. Nitin Lakhotia **Tel.:** 022-65563031
Email: nitin.lakhotia@frrshares.com **Website:** www.frrshares.com
SEBI Registration Number: INB/INF011397230 (BSE)
Corporate Identity Number: U67100MH2010PLC204251

- 20.13. The Acquisition Window will be provided by the BSE to facilitate placing of sell orders by Eligible Shareholders who wish to tender Equity Shares in the Buy-back. The details of the platform will be specified by BSE from time to time.
- 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 2017**”, 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. [●], 2017 (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 authorisations, 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. [●], 2017 (by 5 PM). The envelope should be super scribed as **“J.B. Chemicals & Pharmaceuticals Limited Buy-back 2017”**. 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 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 dematerialised form:** An Eligible Shareholders 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, 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. [●], 2017 (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 Brokers 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 Shareholders will be transferred to the concerned Seller Members' for onward transfer to the 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 accounts 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 accounts 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**") provided it is indicated by the Company's Brokers or it will be transferred by the Company's Brokers to the 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 dematerialised 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 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 1 April to 31 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 India 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 Tax Avoidance Treaty ("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 exchange/s 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 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 do 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 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 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 recognized stock exchange

Where transaction for transfer of such equity shares (i.e. buy-back) is executed through a recognized 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 Indian Stock Exchange. Currently, the STT rate applicable on the purchase or sale of shares on the stock exchange is 0.1% of the value of security:

- LTCG arising from such transaction would be exempt under section 10(38) of the Income Tax Act. Further as per Finance Act, 2017, the benefit of exemption of LTCG shall be available only if the STT has also been paid at the time of acquisition of equity shares sought to be transferred subject certain exceptions to be notified by Central Government.
 - 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, education cess and secondary and higher 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 double taxation avoidance agreement ("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. 50 Crore in the previous year i.e. 2015-16 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 double taxation avoidance agreement ('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, education cess and secondary and higher 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 said Buy-back.

B) In case of Non-resident Shareholders

Since the Buy-back is 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 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 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, Education Cess and Secondary and Higher 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

Education cess @ 2% and secondary and higher education cess @ 1% 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. May 23, 2017 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 that:
 - (a) immediately following the date of the Board Meeting, there will be no grounds on which the Company could be found unable to pay its debts;
 - (b) As regards the Company's prospects for the year immediately following the date of the Board Meeting approving 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 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 the Board Meeting approving such Buy-back; 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)

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 May 24, 2017 received from J.K.Shah & Co. , the Statutory Auditors of the Company on permissible capital payment addressed to the Board of Directors of the Company and the Statement of determination of permissible capital payment towards Buy-back of Equity Shares is reproduced below:

Independent Auditor's Report on Buy-back of Equity Shares pursuant to the requirement of Schedule II to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended:

To,
The Board of Directors
J.B. Chemicals & Pharmaceuticals Limited
4th Floor, Neelam Centre,
B Wing, Hind Cycle Road,
Worli, Mumbai 400030.
Maharashtra, India.

1. This Report is issued in accordance with the terms of our service scope letter dated May 23, 2017 and master engagement agreement dated May 23, 2017 with J. B. Chemicals & Pharmaceuticals Limited.
2. In connection with the proposal of J.B. Chemicals & Pharmaceuticals Limited ("Company") to Buy-back its Equity Shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ('the Act') and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended ('the Buy-back Regulations'), and in terms of the resolution passed by the Board of Directors of the Company in their meeting held on May 23, 2017, we have been engaged by the Company to perform a reasonable or limited assurance as applicable on the reporting criteria, specified in paragraph 5 of this report.

Board of Directors Responsibility

3. The preparation of the Statement of determination of the permissible capital payment towards Buy-back of Equity Shares ("the Statement"), as set out in Annexure A hereto, to be initialed by us for identification purpose only, is the responsibility of the Board of Directors of the Company, including 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.
4. The Board of Directors are responsible to make a full inquiry into the affairs and prospectus of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of board meeting held to consider the proposal of Buy-back of Equity shares.

Auditor's Responsibility

5. Pursuant to the requirements of the Buy-back Regulations, it is our responsibility to provide reasonable assurance on the following point (i) and to provide limited assurance on the following point (ii) and (iii) ("the Reporting Criteria")
 - (i) Whether the amount of capital payment for the Buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
 - (ii) Whether the Board of Directors has formed the opinion, as specified in Clause (x) of Part A of Schedule II to the Buy-back Regulations, on a reasonable grounds 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 board meeting held to consider the proposal of Buy-back of Equity shares.

- (iii) Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
6. The financial statements for the financial year ended on March 31, 2017 had been audited by us, on which we had issued an unmodified audit opinion, vide our audit report dated May 23, 2017. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
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.
9. A reasonable or limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mention in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
- i) We have inquired into the state of affairs of the Company in relation to its audited financial statements for the Financial year ended on March 31, 2017;
 - ii) Examined authorization for Buy-back from the Articles of Association of the Company;
 - iii) Examined that the amount of capital payment for the Buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68 of the Act;
 - iv) Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its free reserve after such Buy-back;
 - v) Examined that all Equity Shares for Buy-back are fully paid-up;
 - vi) Examined resolutions passed in the meetings of the Board of Directors;
 - vii) Examined Directors' declarations for the purpose of Buy-back and solvency of the Company;
 - viii) Obtained necessary representations from the management of the Company.

Opinion

10. Based on our examination as above and the information and explanations given to us, in our opinion, the amount of capital payment of Rs. 50 Crores for the Equity Shares in question does not exceed the permissible capital payment of Rs. 324.52 Crores, as determined in the Statement of determination of the permissible capital payment towards Buy-back of Equity Shares, as stated in Annexure A, is properly determined in accordance with Section 68 of the Act; and the Board of Directors, in their meeting held on May 23, 2017, have formed the opinion, as specified in clause (x) of Part A of Schedule II of the Buy-back Regulations, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on Use

11. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the Public Announcement to be made to the Shareholders of the Company, (b) in the Draft Letter of Offer and Letter of Offer to be filed with the Securities and Exchange Board of India, the Stock Exchanges, the Registrar of Companies as required by the Buy-back Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or 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 J. K. Shah & Co

Chartered Accountants

Firm Registration Number: 109606W

Sd/-

J.K. Shah

Partner

Membership Number: 03662

Place of Signature: Mumbai

Date: May 24, 2017

J.B. Chemicals & Pharmaceuticals Limited

Annexure A

Statement of determination of the Permissible Capital Payment towards Buy-back of Equity Shares ("the Statement") in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013

	Particulars	Amount ` In Crores	Amount ` In Crores
A	Paid Up Equity Share Capital and Free Reserves as at March 31, 2017, based on the Audited Standalone Financial Statements of the Company as at March 31, 2017		
	Paid Up Equity Share Capital	16.96	
	Free Reserves, comprising		
	- Securities Premium Account	49.46	
	- General Reserve	485.48	
	- Surplus in the Statement of Profit and Loss {Excluding unrealized gain (Net) of Rs. 71.56 Crores}	746.18	
	Total Paid Up Equity Share Capital and Free Reserves		1298.08
B	The Amount of Maximum Permissible Capital Payment towards the Buyback being lower of;		
	(a) Permissible Capital Payment towards Buy-back of Equity Shares in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of paid up equity capital and free reserves)		324.52

(b) Permissible <u>Number</u> of Equity Shares eligible for Buy-back in accordance with Section 68 (2) (b) and (c) of the Companies Act, 2013 (25% of number of paid up equity capital) <u>(Nos.)</u>		2,12,04,994
(c) 10% of Total Paid Up Equity Share Capital and Free Reserves as at March 31, 2017, and		129.81
(d) Amount approved by the Board of Directors at their meeting held on May 23, 2017.		50.00

**For and on behalf of the Board of Directors of
J. B. Chemicals & Pharmaceuticals Limited**
Sd/-

Name: Pranabh D. Mody
Designation: President & Whole Time Director (Operations)
Place: Mumbai
Date: 24th May, 2017

For J. K. Shah & Co
Chartered Accountants
Firm Registration Number: 109606W
Sd/-
Partner
Membership Number: 03662

24. MATERIAL DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Corporate Office of the Company at Energy 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, 2017, 2016, and 2015.
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on May 23, 2017 approving the proposal of the Buy-back.
- (v) Certificate dated May 24, 2017 received from J.K.Shah & Co., 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 May 24, 2017 published in the newspapers on May 25, 2017 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 May 24, 2017 by J.K.Shah & Co., 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 May 29, 2017 executed amongst the Company, Escrow Agent and the Manager to the Buy-back.
- (x) Confirmation letter by the Escrow Agent dated [●] that the Escrow Account has been opened and that the amount required to be deposited in the Escrow Account has been deposited.
- (xi) 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 and Compliance Officers
J.B. Chemicals & Pharmaceuticals Limited
Energy 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 of the Manager to the Buy-back at investors@vivro.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 and its limit, or with a fine and its limit 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 India Private Limited

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

Tel. No.: +91 22 49186000 **Fax:** + 91 22 49186060

Email: jbhcem.buyback@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 Financial Services Private Limited

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

Contact Person: Mr. Harish Patel / Mr. Sagar Jatakiya

E-mail: investors@vivro.net,

Website: www.vivro.net

Tel: +91 22 6666 8040-42; **Fax:** +91 22 6666 8047

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 May 23, 2017.

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

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: May 30, 2017

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

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

Bid Number:
Date:

BUY-BACK OPENS ON:		[●], 2017	
BUY-BACK CLOSES ON:		[●], 2017	
For Registrar / collection centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/> Individual	<input type="checkbox"/> FPI	<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/LLP	<input type="checkbox"/> Others (specify)	
<input type="checkbox"/> Foreign National			
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,
Neelam Centre, B Wing, 4th floor, Hind Cycle Road, Worli,
Mumbai - 400 030, Maharashtra, India.

Dear Sirs,

Sub: Letter of Offer dated [●], 2017 in relation to Buy-back of up to 12,50,000 (Twelve Lakh Fifty Thousand) Equity Shares of J.B. Chemicals & Pharmaceuticals Limited (the "Company") at a price of ₹400/- (Rupees Four Hundred only) per Equity Share ("Buy-back Price"), payable in Cash

-
- I / We (having read and understood the Letter of Offer dated [●], 2017) hereby tender / offer my / our Equity Shares in response to the Buy-back 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 (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 all liens, 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 shall 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 effect the Buy-back in accordance with the Act and the Buy-back Regulations.
 - Details of Equity Shares held and tendered / offered for Buy-back:

	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back		

11. 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.

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 Buy-back Entitlement shall be accepted in accordance with paragraph 19.6, 19.7, 19.8, and 19.9 of the Letter of Offer subject to giving effect to paragraph 19.4. 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 Buy-back 2017
(To be filled by the Equity Shareholder) (Subject to verification)

DP ID.: _____

Client ID

Received from

Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buy-back (In Figures) _____ (In Words)

Stamp of Broker

Please quote Client ID No. & DP No. 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 Holder				
Signature(s)*				
PAN No.				
Address of the Sole/First Equity Shareholder				
Telephone No. and Email ID				

*Corporate must affix rubber stamp

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 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 due to rejection or due to the Buy-back being on a proportionate basis in terms of the Ratio of Buy-back.
5. Eligible Shareholders to whom the 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 in the Buy-back, please refer to para 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 Buy-back shall be rejected for demat shareholders in case of receipt of the completed Tender Form and other documents but non-receipt of shares in the special account of the Clearing Corporation or a 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 (including approvals from the RBI).

All capitalised items 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 2017

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.buyback@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Sumeet Deshpande

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

Bid Number:

Date:

BUY-BACK OPENS ON:		[●], 2017	
BUY-BACK CLOSES ON:		[●], 2017	
For Registrar / collection centre use			
Inward No.	Date	Stamp	
Status (please tick appropriate box)			
<input type="checkbox"/>	Individual	<input type="checkbox"/>	FPI
<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"/>	Foreign National	<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"/>		<input type="checkbox"/>	Resident of _____ (Shareholder to fill the country of residence)

To,
The Board of Directors
J.B. CHEMICALS & PHARMACEUTICALS LIMITED,
Neelam Centre, B Wing, 4th floor, Hind Cycle Road, Worli,
Mumbai - 400 030, Maharashtra, India.

Dear Sirs,

Sub: Letter of Offer dated [●], 2017 in relation to Buy-back of up to 12,50,000 (Twelve Lakh Fifty Thousand) Equity Shares of J.B. Chemicals & Pharmaceuticals Limited (the "Company") at a price of ₹400/- (Rupees Four Hundred only) per Equity Share ("Buy-back Price"), payable in Cash

- I / We (having read and understood the Letter of Offer dated [●], 2017) hereby tender / offer my / our Equity Shares in response to the Buy-back 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 (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 all liens, 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 shall 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 effect the Buy-back in accordance with the Act and the Buy-back Regulations.

12. Details of Equity Shares held and tendered / offered for Buy-back:

	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares Entitled for Buy-back (Buy-back Entitlement)		
Number of Equity Shares offered for Buy-back		

13. 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.

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 Buy-back Entitlement shall be accepted in accordance with paragraph 19.6, 19.7, 19.8, and 19.9 of the Letter of Offer subject to giving effect to paragraph 19.4. 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 Buy-back 2017
(To be filled by the Equity Shareholder) (Subject to verification)

Folio No. _____

Received from

Mr./Ms./M/s. _____

Form of Acceptance-cum-Acknowledgement, Original TRS along with:

No. of Equity Shares offered for Buy-back (In Figures) _____ (In Words)

Stamp of Broker

Please quote Folio No. for all future correspondence

14. 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 4 nos., Please attach a separate sheet giving details in the same format as above

15. 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)

16. Details of other Documents (Please V as appropriate, if applicable) enclosed:

Power of Attorney ☐

Corporate authorisation ☐

TRS

Permanent Account Number (PAN Card)(Self Attested)

Others (please specify): ☐

17. 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 Holder				
Signature(s)*				
PAN No.				
Address of the Sole/First Equity Shareholder				
Telephone No. / Email ID				

*Corporate must affix rubber stamp

18. 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:

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. 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 [●] by 5 PM (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) 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.
4. 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 seller member/ custodian will be at their own risk and the seller member/ 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 clause 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 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 2017

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.buyback@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.							

Transferor's Particulars		
Registered Folio Number:	Name (s) in full	Signature(s)
1.		
2.		
3.		

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

Signature of witness.....

Name and Address.....

.....

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)

Folio No. of Transferee

Specimen Signature of Transferee

.....

.....

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

Enclosures:

- (1) Certificate of shares or debentures or other securities
- (2) If no certificate is issued, letter of allotment.
- (3) Copy of PAN Card of all the Transferees (For all listed Cos.)
- (4) Others, specify.....

Stamps:

--

Name of Transferor	Name of Transferee	No. of Shares	Date of Transfer
_____	_____	_____	_____
			Signature of authorized signatory

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.....