



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

Registered Office: "Neelam Centre", B' Wing, 4th Floor, Hind Cycle Road, Worli, Mumbai 400 030.
Corporate Office: Energy IT Park, Unit A2, 3rd floor, Appa Saheb Marathe Marg, Prabhadevi, Mumbai 400 025.
CIN:L24390MH1976PLC019380, Web: www.jbcpl.com, Email: secretarial@jbcpl.com, Tel: (022) 2439 5500/ 5200

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY-FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF J.B. CHEMICALS & PHARMACEUTICALS LIMITED WILL BE HELD ON THURSDAY, SEPTEMBER 24, 2020 AT 3.30 P.M. (IST) THROUGH VIDEO CONFERENCE (VC) / OTHER AUDIO VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE REGISTERED OFFICE OF THE COMPANY AT NEELAM CENTRE, "B" WING, 4TH FLOOR, HIND CYCLE ROAD, WORLI, MUMBAI 400 030.

ORDINARY BUSINESS:

- (a) To receive, consider and adopt the audited financial statement of the Company for the financial year ended on March 31, 2020 together with the reports of the Board of Directors and the Auditors thereon, and
(b) To receive, consider and adopt the audited consolidated financial statement of the Company for the financial year ended on March 31, 2020 together with the report of the Auditors thereon.
- To confirm interim dividend of ₹ 10 per equity share paid during the financial year 2019-20.
- To declare final dividend of ₹ 1 per equity share for the financial year 2019-20.
- To appoint a director in place of Mr. Pranabh D. Mody (DIN: 00035505), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- To re-appoint **Mr. Shaukat H. Merchant** as **Independent Director** and, in this regard, pass the following resolution as Special Resolution:

"RESOLVED THAT Mr. Shaukat H. Merchant (DIN: 00075865), who was appointed by the members of the Company at annual general meeting held on August 23, 2016 as independent director for a term up to five (5) consecutive years commencing

from February 03, 2016, and who holds office up to February 02, 2021 and who is proposed for re-appointment for a second term up to further period of five (5) consecutive years based on report of evaluation of performance carried out by the Board of directors, and for whose appointment as director, the Company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature to the office of director of the Company, be and is hereby re-appointed, pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 as amended and the rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as independent director of the Company for a second term of five (5) consecutive years commencing from February 03, 2021."

- To ratify remuneration of cost auditor and, in this regard, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the payment of remuneration of ₹ 5,10,000 (excluding GST and out of pocket expenses) to Kishore Bhatia & Associates, Cost Accountants, for audit of cost records of the Company for the financial year 2020-21 as approved by the Board of directors of the Company be and is hereby ratified."

By Order of the Board of Directors

M.C. Mehta

Company Secretary & Vice President-Compliance

Date : June 25, 2020

Place : Mumbai



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NOTES:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 concerning the special business mentioned under item nos. 5 and 6 of the notice is annexed hereto. The Board of directors have decided to include these item nos. 5 and 6 as the same were considered unavoidable keeping in view their nature.
 2. In view of need of social distancing and restrictions on movement of people due to outbreak of COVID-19, the Ministry of Corporate Affairs vide General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs has allowed the companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) during the calendar year 2020. Accordingly, subject to provisions of the said Circulars and provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder, the Board of directors decided to conduct this 44th AGM of the Company through VC/ OAVM in overall interest of members of the Company. National Securities Depository Limited (NSDL) will provide electronic voting facility and VC/ OAVM facility for participation in the AGM. The process and the manner of remote e-voting and e-voting at AGM and procedure for participation in the AGM through VC/ OAVM is given hereunder under note no. 19 and note no. 20 respectively.
 3. As the AGM is being held through VC/ OAVM where physical presence of the members is dispensed with, **the facility of appointment of proxy by the members pursuant to Section 105 of the Act will not be available for this AGM** in line with provision of General Circular No. 14/2020 dated 8th April, 2020. Hence, proxy form and attendance slip including route map are not annexed to this notice.
 4. Body corporate members are requested to send scanned copy (in PDF/JPEG format) of its board resolution authorizing its representative for the purposes of voting through remote e-voting and/or participation and voting at the meeting.
 5. As the AGM will be conducted through VC/ OAVM, the institutional investors are encouraged to participate and vote at the meeting.
 6. **Record Date/Book Closure:**
 - September 17, 2020 has been fixed as Record Date for determining names of the members holding shares of the Company in dematerialized form entitled to receive dividend, if declared at the annual general meeting.
 - Register of Members and Share Transfer/ Transmission Books of the Company shall remain closed from Friday, September 18, 2020 to Thursday, September 24, 2020 (both days inclusive) for equity shares held in physical form for determining names of the members entitled to dividend, if declared at the annual general meeting.
 - The dividend, if declared, will be paid on or after September 29, 2020. Payment of dividend shall be subject to deduction of tax at source in accordance with provisions of Income Tax Act, 1961.
- ### GENERAL INFORMATION
7. From April 1, 2019, transfer of shares is allowed only if the shares are held in the dematerialized form. Hence, the members holding shares in physical form may consider dematerialization of their shares.
 8. The members holding shares in electronic form are requested to intimate change in their bank details and address to their depository participant. The members holding shares in physical form are requested to intimate change in their bank details and address to the Company's Registrars and Share Transfer Agent. This will help the members avoid delay in receipt of dividend and communications from the Company.
 9. The dividend for the year 2012-13 will become due for transfer to Investor Education and Protection Fund (IEPF) on September 18, 2020. The members who have not encashed their dividend are requested to approach the Company.
 10. The members are hereby also informed that those shares of the Company in respect of which dividend is unclaimed for consecutive period of seven years shall also become due for transfer to IEPF in terms of provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended. The Company will post the list of such shares liable for transfer to IEPF on its website www.jbcpl.com. The Company will also mail a letter to the concerned members informing them about such transfer. Such members are requested to claim their dividend on or before the date mentioned in note no. 9.
 11. The shareholders who have not yet claimed their dividend for any past period are requested



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to write to the Company or send e-mail to investorelations@jbcpl.com.

- The members, who have not yet exchanged certificate(s) of shares of face value of ₹ 10 against certificates of shares of face value of ₹ 2, consequent to reduction in face value from ₹ 10 to ₹ 2, are requested to approach the Company's Registrars and Share Transfer Agent or write to the Company.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ADDRESS WITH THE COMPANY

- In accordance with General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatch of physical copies of the financial statements (including report of Board of directors, Auditors' Report or other documents required to be attached therewith), such statements including this notice of AGM are being sent through electronic mode to the members whose e-mail address is registered with the Company or the Depository Participant.
- Members holding shares in physical mode and who have not registered their mail address with the Company are requested to register their e-mail address by writing to the Company at secretarial@jbcpl.com along with the copy of signed request letter mentioning the name and address of the member, self-attested copy of PAN card and self-attested copy of any identity proof in support of address of the member. Members holding shares in dematerialised form are requested to register/update their e-mail address with the concerned depository participant.
- This notice of AGM along with annual report for the financial year 2019-20 is available on the website of the Company at www.jbcpl.com, on website of Stock Exchanges i.e. BSE Ltd. and National Stock Exchange of India Limited. This notice is also available on the website of NSDL at www.evoting.nsdl.com.

REMOTE E-VOTING, E-VOTING AT AGM AND STEPS TO BE FOLLOWED THEREFOR

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars dated April 08, 2020, April 13, 2020 and

May 05, 2020 issued by the Ministry of Corporate Affairs, the Company provides facility of e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by the members using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.

- The members holding shares of the Company as on 17th September, 2020 (i.e. cut-off date) shall be entitled to cast vote either through remote e-voting facility or e-voting during the annual general meeting.
 - The members participating in the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote during the meeting through e-voting process. The members who have already cast their vote by remote e-voting shall not be eligible to vote during AGM. Such members are not allowed to change their vote subsequently or cast the vote again.
 - Members holding shares in physical form are requested to access the e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
- The process and the manner of voting through remote e-voting facility (i.e. voting from any place) and time schedule thereof including details about login ID, procedure for generating password and casting of vote in a secure manner is as under:

Time schedule for remote e-voting

The voting period begins on Sunday, September 20, 2020 at 9.00 a.m. and will end on Wednesday, September 23, 2020 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 17, 2020 shall only be eligible to cast their vote electronically. The members please note that the remote e-voting shall not be allowed beyond the aforesaid date and time and e-voting module shall be disabled by NSDL for voting thereafter.

Steps for e-voting:

Step 1: Log-in to NSDL e-Voting system.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.



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- (b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- (c) A new screen will open. You will have to enter your User ID, your Password and a verification code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- (d) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
i) For members who hold shares in demat account with NSDL.	8 character DP ID followed by 8 digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
ii) For members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
iii) For members holding shares in physical form.	EVEN number followed by folio number registered with the Company For example if folio number is 001*** and EVEN is 101456, then user ID is 101456001***.

- (e) Your password details are given below:

- (i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- (ii) If you are using NSDL e-Voting system for the

first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- (iii) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned in note no.(n) below.

- (f) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.

b) Click on "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- (g) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

(h) Now, you will have to click on "Login" button.

(i) After you click on the "Login" button, home page of e-Voting will open.



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Step 2: Cast your vote electronically on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

- (a) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- (b) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- (c) Select "EVEN" of the Company for which you wish to cast your vote.
- (d) Now you are ready for e-voting as the Voting page opens.
- (e) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- (f) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (g) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (h) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Procedure for e-voting during AGM

- (i) The procedure for e-voting during the AGM is the same as the steps mentioned above for remote e-Voting.
- (j) Only those members present through VC/OAVM facility who have not exercised their vote through remote e-Voting and are otherwise not barred from voting shall be eligible to vote during the AGM. The members who have cast their vote through remote e-Voting shall only be entitled to attend the meeting.
- (k) The members may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in.

GENERAL INSTRUCTIONS

- (l) Institutional shareholders are required to send scanned copy (in PDF/JPG Format) of the relevant board resolution/ authority letter with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer by e-mail to amisi999@gmail.com with a copy marked to evoting@nsdl.co.in.
- (m) Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.
- (n) **Have you not registered your e-mail address with the depository or the Company?**

The members who have not registered their e-mail address with the depository or the Company need to follow the following process for procuring user id and password for e-voting for the resolutions set out in this notice.

- (i) In case shares are held in physical mode, please provide folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by e-mail to secretarial@jbcpl.com.

In case shares are held in demat mode, please provide DP ID-Client ID, name, client master or copy of consolidated account statement, PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by e-mail to secretarial@jbcpl.com.

- (ii) Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in (i) above.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM

19. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under Members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company is displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User



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- ID and Password may retrieve the same by following the remote e-voting instructions mentioned above to avoid last minute rush. Further, the members can also use the OTP based login for logging into the e-voting system of NSDL.
20. For convenience of the members and proper conduct of the AGM, members can login and join the AGM 30 (thirty) minutes before the time scheduled for AGM and shall be kept open throughout the proceedings of the AGM.
21. Attendance of the members through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
22. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
23. Members who need technical assistance before or during AGM with regard to use of technology for VC/ OAVM can:
- Send a request at evoting@nsdl.co.in or use Toll free no.: 1800-222-990; or
 - Contact Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone number 022-24994360; or
 - Contact Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in or at telephone number 022-24994545.
26. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. However, the Company reserves the right to restrict the number of questions and/or the number speakers during the meeting as deemed fit for smooth conduct of the meeting. Such speakers can send their questions later to secretarial@jbcpl.com for suitable reply by the Company.

INSPECTION OF DOCUMENTS

27. The Board of directors has appointed Mr. Ashish Bhatt, proprietor of Ashish Bhatt & Associates, Practising Company Secretary, to scrutinize the remote e-voting / e-voting during AGM in a fair and transparent manner. The result of voting on the businesses transacted at the annual general meeting will be declared not later than September 26, 2020 by placing the same along with scrutinizer's report on the website of the Company www.jbcpl.com.
28. All the documents referred to in the accompanying explanatory statement being documents available for inspection, shall be made available through electronic mode for inspection by any member on the basis of request received at secretarial@jbcpl.com.
29. During the AGM, the Register of Contracts, Register of Directors, Key Managerial Personnel and their shareholding and auditors' certificate on implementation of ESOP shall be available for inspection upon login to NSDL e-voting system at www.evoting.nsdl.com.

PROFILE OF DIRECTORS

30. Pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the existing directors proposed for re-appointment is as under:

Mr. Pranabh D. Mody:

Mr. Pranabh Mody, 56, is a promoter group member. He obtained his Bachelor Degree in Pharmacy from Pioneer Institute of Pharmacy in Mumbai, i.e. Bombay College of Pharmacy in the year 1984. He also obtained his Masters in Business Administration from Oakland University, USA in the year 1986. He also completed Executive Education Program from Harvard University in USA in the year 1995. He joined J. B. Chemicals & Pharmaceuticals Ltd. in 1986 and has been on the Board of the Company since 1-9-1997.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATION WITH RESPECT TO ANNUAL REPORT FOR 2019-20

24. For ease of participation by the members and keeping in view smooth conduct of the proceedings at the AGM, the members are requested to send their questions in advance mentioning their name, demat account number/folio number, e-mail id, mobile number to secretarial@jbcpl.com. The questions received till Sunday, September 20, 2020 will be considered and replied suitably.
25. The members who would like to speak at the AGM are requested to register themselves as speaker latest till Sunday, September 20, 2020 by sending their request mentioning their name, demat account number/folio number, e-mail id, mobile number to secretarial@jbcpl.com.



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Mr. Pranabh Mody has to his credit around 33 years of experience of which, 25 years have been in the pharmaceutical industry with J. B. Chemicals & Pharmaceuticals Limited. His areas of functional expertise include corporate strategy, corporate finance, new product development, marketing, supply chain management, national regulatory compliance and administration.

Mr. Pranabh Mody as President and Whole time director (Operations) has significantly contributed to the overall management and development of the Company's domestic formulations businesses, evolution and implementation of corporate strategies, IT system and processes & controls.

Mr. Pranabh Mody is also a member on the board of Sasken Technologies Ltd., a listed entity. Besides this, he holds directorship of Unique Pharmaceutical Laboratories Ltd., Ifiunik Pharmaceuticals Ltd., Biotech Laboratories (Pty.) Ltd., South Africa and Unique Pharmaceutical Laboratories FZE, Dubai. He is also a member of audit committee, nomination and remuneration committee and strategy, business & marketing review committee of Sasken Technologies Ltd.

Mr. Pranabh Mody is nephew of Shri Jyotindra B. Mody and Shri Shirish B. Mody. He holds 73,46,459 equity shares (9.51%) in the Company. He attended all five meetings of the Board held during financial year 2019-20.

Mr. Shaukat H. Merchant:

The information in respect of this independent director proposed for re-appointment is provided under item no.5 of the explanatory statement set out below.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

All material facts concerning items of special business at nos. 5 and 6 are set out in the following statement accompanying the notice.

Item No. 5:

The members, at the annual general meeting held on August 23, 2016, appointed Mr. Shaukat H. Merchant as an independent director of the Company for a term of five (5) consecutive years from February 03, 2016. This is the first term of Mr. Shaukat H. Merchant as an independent director, which will end on February 02, 2021. As per Section 149 of the Companies Act, 2013 ("Act"), an independent director shall hold office for a term up to five consecutive years and can hold office for not more than two consecutive terms.

Independent director is thus eligible for re-appointment for a second term but on passing of a special resolution by the Company.

In performance evaluation exercise undertaken by the Board, independent directors are rated annually on various parameters where Mr. Shaukat H. Merchant was rated between 4-5 (5 being highest) during last five years. Thus, your Board believes that performance of Mr. Shaukat H. Merchant as independent director has been exceedingly well. He possesses functional expertise and appropriate skills, experience and knowledge, *inter alia*, in the field of law particularly the Drug laws. Based on performance evaluation report of Mr. Shaukat H. Merchant as summarized aforesaid and also in view of his skills, expertise and experience, the Board of directors proposes and recommends re-appointment of Mr. Shaukat H. Merchant as an independent director for a second term of five (5) consecutive years from February 03, 2021 as the Board believes that continued association of Mr. Shaukat H. Merchant would be immensely beneficial to the Company. Keeping in view his qualifications, skills, experience and functional expertise, your Board is of the opinion that his re-appointment would continue to help maintain appropriate balance of skills, experience and knowledge and necessary diversity in the Board and thus help Board discharge its functions and duties effectively.

The Company has also received a notice in writing under Section 160 of the Act from a member of the Company proposing candidature of Mr. Shaukat H. Merchant to the office of independent director for a second term of five years as aforesaid.

Mr. Shaukat H. Merchant has given his consent to act as director of the Company. He has furnished (i) a declaration that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"), and (ii) a confirmation that he is not aware of any circumstances or situation, which exists or may reasonably be anticipated that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence. Based on assessment of veracity of the same, the Board of directors confirms that, in their opinion, Mr. Shaukat H. Merchant fulfils the conditions of independence and is independent of the management. Mr. Shaukat H. Merchant has also confirmed that his name is included in the databank of independent directors maintained by the Indian Institute of Corporate Affairs in accordance with the Companies Act, 2013 and Rules made thereunder.



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NOTICE (Contd.)

Your Board of directors is of the opinion that Mr. Shaukat H. Merchant, proposed to be appointed as independent director for a second term, fulfills the conditions specified in the Companies Act, 2013, the rules made there under and the Listing Regulations for the appointment of an independent director, and that he is independent of the management.

Mr. Shaukat H. Merchant, 69, is senior Solicitor and Advocate and is Senior Solicitor & Senior Partner of the Law Firm M/s. M&M Legal Ventures, Advocates & Solicitors, Mumbai and has significant and rich experience of over four decades in the area of law. Keeping in view his qualifications, skills, experience and functional expertise, your Board is of the opinion that his continued association would be immensely beneficial to the Company.

Mr. Shaukat H. Merchant is not related to any of the directors or key managerial personnel of the Company. He does not hold any shares in the Company. There is no proposal to pay any remuneration to him other than sitting fee for attending meetings of the Board and Committee(s) thereof. He attended all five (5) meetings of the Board held during the financial year 2019-20.

He also holds directorship of Rubfila International Ltd., a listed entity. Besides this, he holds directorship of Finquest Arc Pvt. Ltd. and Leggiuno S.P.A, Italy.

Your Board thus believes that re-appointment/continuance of directorship of Mr. Shaukat H. Merchant is in the interest of the Company and will help the Board. Accordingly, your directors recommend his re-appointment and commend the resolution set out under item no. 5 for approval of the members. Everything stated above be treated as justification of the Board for re-appointment of Mr. Shaukat H. Merchant as independent director of the Company for a second term.

Pursuant to the provisions of Section 149 of the Act, Mr. Shaukat H. Merchant would hold office, if re-appointed, for a second term of five (5) consecutive years from February 03, 2021, and the provisions of the Act in respect of retirement of directors by rotation shall not apply to his appointment.

The Articles of Association of the Company, notice received from a member and draft terms and conditions of re-appointment of Mr. Shaukat H. Merchant as independent

director ("the said documents") are open for inspection at the registered office of the Company by any member during 10.00 a.m. to 5.00 p.m. on all working days (i.e. except Saturday, Sunday and public holidays) up to the date of the annual general meeting. A copy of the said documents will also be available for inspection at the corporate office of the Company on the days and during the time aforesaid as well as during the meeting.

Mr. Shaukat H. Merchant and his relatives may be considered as concerned or interested in this item of business and/or resolution under item no.5. None of the other directors and key managerial personnel of the Company and their relatives are concerned or interested in this item of business or resolution under item no.5.

Item No. 6:

The Company is required to submit to the Central Government cost audit report audited by the Cost Accountant. Accordingly, the Board of directors has appointed Kishore Bhatia & Associates, Cost Accountants, to conduct audit of cost records of the Company for the financial year 2020-21 and also approved their remuneration as mentioned in the resolution under item no. 6 of the notice, based on recommendation of the Audit Committee. The Companies (Audit and Auditors) Rules, 2014 provides that the remuneration of cost auditor approved by the Board of directors shall be ratified subsequently by the shareholders. In view of this, ratification of above referred remuneration payable to the cost auditor is sought from the members. Accordingly, Board of directors recommends this to the members for approval and commend the resolution set out under item no. 6 for approval of the members.

None of the directors and key managerial personnel of the Company and their relatives are concerned or interested in this item of business or resolution set out under item no. 6.

By Order of the Board of Directors

M.C. Mehta

Company Secretary & Vice President-Compliance

Date : June 25, 2020

Place : Mumbai