Clariant Chemicals (India) Limited

Corporate Identity No. (CIN) L24110MH1956PLC010806
Registered Office: Reliable Tech Park, Thane - Belapur Road, Airoli, Navi Mumbai-400708
Tel No. (+91) 22 7125 1000, **Fax No.** (+91) 7125 1201; **Website:** www.clariant.in; **E-mail:** investor.relations_India@clariant.com

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/BENEFICIAL OWNERS OF EQUITY SHARES OF CLARIANT CHEMICALS (INDIA) LIMITED FOR BUY BACK OF EQUITY SHARES THROUGH TENDER OFFER

This Public Announcement (the "**Public Announcement**") is being made pursuant to the provisions of Regulation 8(1) of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the "**Buy Back Regulations**") and contains the disclosures as specified in Part A of Schedule II to the Buy Back Regulations.

OFFER FOR BUY BACK OF UP TO 35,78,947 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 950 PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS

1. **DETAILS OF THE BUY BACK OFFER AND OFFER PRICE**

1.1. The Board of Directors (the "**Board**") of Clariant Chemicals (India) Limited (the "**Company**") passed a resolution on April 22, 2015 (the "**Board Meeting**") to recommend the proposal for buy back of equity shares of face value of ₹ 10 each ("**Equity Shares**") of the Company and sought approval of the equity shareholders of the Company, by a special resolution, through postal ballot notice dated May 18, 2015 ("**Postal Ballot Notice**"), the result of which was announced on July 8, 2015. By way of the said special resolution passed through postal ballot, the equity shareholders of the Company have approved the buy back of up to 35,78,947 Equity Shares from the equity shareholders/beneficial owners of Equity Shares ("**Equity Shareholders**") of the Company as on the Record Date (*hereinafter defined*), on a proportionate basis, through the tender offer route ("**Buy Back**"), at a price of ₹ 950 per Equity Share (Rupees Nine Hundred Fifty Only) ("**Buy Back Price**") payable in cash, for an aggregate maximum amount of ₹ 3,40,00,00,000 (Rupees Three Hundred Forty Crores Only) ("**Buy Back Size**").

1.2. The Buy Back is in accordance with the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended and to the extent notified (the "**Companies Act**"), and in accordance with Article 8A of the Articles of Association of the Company and subject to the provisions of the Buy Back Regulations, and such other approvals, permissions and exemptions as may be required, from time to time, from BSE Limited (**The** "**BSE**"), and the National Stock Exchange of India Limited **(The "NSE", and together with the BSE, the "Recognized Stock Exchanges")** where the Equity Shares of the Company are listed and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. The Buy Back would be undertaken in accordance with circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by Securities and Exchange Board of India, which prescribes mechanism for acquisition of shares through stock exchange. In this regard, the Company will request BSE and NSE to provide the Acquisition Window. For the purpose of this Buy Back, BSE would be the Designated Stock Exchange.

1.3. In accordance with the provisions of the Companies Act, the Buy Back Size, is ₹ 3,40,00,00,000 (Rupees Three Hundred forty Crores Only), which is 24.51% of the fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the financial year ended December 31, 2014 (the last audited financial statements available as on the date of the Board Meeting approving the Buy Back) and is within the statutory limits of 25% of the fully paid-up equity share capital and free reserves as per the last audited financial statements of the Company. Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity share capital of the company in that financial year. Since the Company proposes to Buy Back up to 35,78,947 (Thirty Five Lakhs Seventy Eight Thousand Nine Hundred and Forty Seven) Equity Shares representing 13.42% of the total number of Equity Shares in the total paid up equity share capital of the Company, the same is within the aforesaid 25% limit.

1.4. The Buy Back Price per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares of the Company on BSE and NSE, the net worth of the Company and the impact of the Buy Back on the earnings per equity share of the Company. The Buy Back Price per Equity Share represents a premium of 8.87% and 8.84% over the average closing prices of the Company's Equity Shares on BSE and NSE respectively for 3 months preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buy Back and 10.12% and 10.12% over the average closing prices of the Company's equity shares on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buy Back. 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, being April 17, 2015, was ₹ 864.25 and ₹ 862.25 on BSE and NSE respectively. The Buy Back Price is higher by 81.43% of the book value per Equity Share of the Company, which pre-Buy Back, as on December 31, 2014, is ₹ 523.62. The earnings per Equity Share of the Company pre-Buy Back as on December 31, 2014 is ₹ 353.82 which will increase to ₹ 408.68 post Buy Back assuming full acceptance of the Buy Back. The return on networth of the Company pre Buy Back as on December 31, 2014 is 67.57%, which will increase to 89.33% post Buy Back assuming full acceptance of the Buy Back.

1.5. The Buy Back shall be on a proportionate basis from all the Equity Shareholders of the Company through the "tender offer" process as prescribed under Regulation 4(1)(a) of the Buy Back Regulations. Please see Clause 9 below for details regarding Record Date and shareholder's entitlement for tendering in the Buy Back.

2. **NECESSITY OF THE BUY BACK**

2.1. Share buy back is the acquisition by a company of its own shares. The objective of the Buy Back is to return surplus cash to the Equity Shareholders of the Company. The Buy Back through tender offer route gives an option to all the Equity Shareholders, including the promoter shareholders, to receive the surplus cash by participating in the Buy Back.

2.2. Subsequent to the sale of the Company's Kolshet land, the Board at its meeting held on April 22, 2015 considered various alternatives for rewarding the Equity Shareholders. After considering several factors and benefits to the Equity Shareholders, the Board of Directors decided to recommend Buy Back of up to 35,78,947 (Thirty Five Lakhs Seventy Eight Thousand Nine Hundred Forty Seven only) Equity Shares of ₹ 10/- each (representing 13.42 % of the total number of the equity share capital of the Company) at the Buy Back Price i.e. ₹ 950 per Equity Share aggregating to ₹ 3,40,00,00,000 (Rupees Three Hundred Forty Crores Only). Buy Back is a more efficient form of distributing surplus cash to the Equity Shareholders compared to other alternatives including interim dividend, *inter-alia*, for the following reasons:

a. The Buy Back gives an option to the Equity Shareholders, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buy Back offer or they may choose not to participate thereby and enjoy a resultant increase in their percentage shareholding, post the Buy Back offer, without additional investment;

b. Since the Buy Back proceeds will be taxed as capital gains, as applicable, in the hands of the shareholders, the Buy Back would enable the Company to distribute the entire amount so allocated to the Equity Shareholders in a more efficient manner as compared to dividend distribution which would involve payment of dividend distribution tax and thereby result in lower amount being distributed to the Equity Shareholders;

c. The Buy Back would help in improving certain key financial ratios of the Company;

d. The Buy Back, which is being implemented through the tender offer route as prescribed under the Buy Back Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit public shareholders who would get classified as "small shareholders".

3. **DETAILS OF PROMOTERS' SHAREHOLDING AND INTENTION TO PARTICIPATE IN THE BUY BACK**

3.1. The aggregate shareholding of the Promoters and Promoter Group of the Company, the directors of the Promoters and Promoter Group Entities (where the Promoter or Promoter Group entity is a company) and the persons who are in control of the Company, as on the date of the Postal Ballot Notice i.e. May 18, 2015 is given below:

a. Aggregate shareholding of the companies/entities forming part of the Promoters, Promoter Group and Persons in Control:

Sr. No.	Name of the Shareholder	Number of Equity Shares	% of Equity Shareholding
1	EBITO Chemiebeteiligungen AG	81,67,080	30.63
2	Clariant International Ltd	60,75,000	22.79
3	Clariant Participations Ltd	26,60,000	9.98
	Total	**1,69,02,080**	**63.40**

b. Aggregate shareholding of the directors of the Promoters and Promoter Group:

None of the directors of the Promoters and Promoter Group of the Company hold any Equity Shares in the Company.

c. Aggregate shareholding of the persons who are in control of the Company:

None of the Directors of the companies forming part of the Promoter Group hold any shares of the Company..

d. Shareholding of the Directors of the Company:

Sr. No.	Name of the Director	Equity Shares held	% of shareholding
1	Mr. B. L. Gaggar*	1,000	0.004

*Mr. B. L. Gaggar has resigned from the Directorship of the Company effective from July 1, 2015 due to his retirement from the services of the Company.

3.2. Details of transactions - purchase/sale/transfer - undertaken by the Promoters and/or Promoter Group, the directors of the Promoters and/or Promoter Group, where the Promoter/Promoter Group is a company, and/or persons who are in control of the Company from a period of six months preceding the date of the Board Meeting i.e. April 22, 2015 at which the Board recommended the proposal for Buy Back till the date of Postal Ballot Notice:

Except for Mr. B. L. Gaggar, there were no transactions either purchase/sale/transfer - undertaken by persons referred to in (3.1) above during the period of last six months preceding the date of the Board Meeting at which the Buyback was approved up to the date of this Notice.

Details of transaction undertaken by Mr. B. L. Gaggar are as follows:

Sr. No.	Date of Transaction	No. of Equity Shares	Price Per Equity Share	Amount (₹ Lakhs)	Mode of Transaction
1	January 29, 2015	50	915.00	0.45	Sale
2	April 30, 2015	500	861.77	4.31	Purchase

3.3. In terms of the Buy Back Regulations, under the tender offer route, the Promoters and Promoter Group of the Company have the option to participate in the Buy Back. EBITO Chemiebeteiligungen AG, Clariant International Ltd and Clariant Participations Ltd vide their letters dated April 22, 2015, have expressed their intention to participate in the Buyback to such an extent that the combined shareholding of Promoter/Promoter Group in the Company post Buyback remains atleast 51.00% of the post Buyback equity share capital of the Company.

The details of date and price of acquisition of the Equity Shares that the Promoters and Promoter Group intend to tender are stated below:

a) **EBITO Chemiebeteiligungen AG (Promoter)**

Date of Acquisition	No. of Equity Shares Acquired	Cost of Acquisition (₹ Lakhs)	Mode of Acquisition
October 13, 2000	5,83,708	10,974.60	Acquisition pursuant to Stock Purchase Agreement executed between Hoechst AG & EBITO. (Refer Note 1)
October 24, 2000	58,37,080	-	Sub-division of Face Value of shares of ₹ 100/- each to ₹ 10/- each.
July 12, 2005	23,30,000	9,704.80	Acquisition pursuant to participation in Open Offer dated May 31, 2005 (Refer Note 2)

Note 1: Pursuant to Stock Purchase Agreement executed by and between Hoechst AG & EBITO on June 16, 2000, 5,83,708 shares of ₹ 100/- each held by Hoechst AG in Clariant Chemicals (India) Limited were transferred to EBITO for a consideration of DEM 50,620,861, indicating an price of DEM 86.72 per share. Cost = DEM 86.72 or INR 1,880.15 (Exchange rate 1 DEM = INR 21.68).

Note 2: Pursuant to Letter of Offer dated May 31, 2005 made by EBITO, Clariant International Limited and Clariant AG to the shareholders of the Company, EBITO acquired 23,30,000 shares for a consideration of ₹ 9,704.80 lakhs i.e at an average price of ₹ 416.52/- per share on July 12, 2005.

b) **Clariant International Limited (Promoter)**

Date of Acquisition	No. of Equity Shares Acquired	Cost of Acquisition per Equity Share (In ₹)	Mode of Acquisition
May 2, 2006	60,75,000	18,619.27	Acquisition pursuant to Scheme of amalgamation in the ratio of 1:1 determined by Valuation report. (Refer Note 1)

Note 1: Pursuant to Scheme of Amalgamation between Clariant (India) Limited, Vanavil Dyes and Chemicals Limited, BTP India Private Limited and Kundalika Investments Limited with Colour-Chem Limited approved by High Court vide order dated March 17, 2006, the shareholders of Clariant (India) Limited were issued 1 equity share in the Company for every 1 equity share held in Clariant (India) Limited. Post amalgamation, Colour Chem Limited was renamed to Clariant Chemicals (India) Limited. Clariant International Limited held 60,75,000 shares in Clariant (India) Limited and thus vide swap ratio of 1:1, were issued 60,75,000 shares in the Company based on the Valuation Report dated September 16, 2005 which determined the Fair Value of per share of the Company as ₹ 306.49/-.

c) **Clariant Participations Limited (Promoter)**

Date of acquisition	Number of Equity Shares acquired	Cost of Acquisition (₹ in lakhs)	Mode of Acquisition
December 29, 2006	26,60,000	8,564.93	Acquisition pursuant to purchase of shares from BTP Limited through Block Deal through BSE at a price of ₹ 321.99 per share.

4. The Board confirms that 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.

5. The Board has confirmed on the date of the Board Meeting (i.e. April 22, 2015) that it has made a full enquiry into the affairs and prospects of the Company and that it has formed the opinion:

a. That immediately following the date of the Board Meeting held on April 22, 2015 and the date on which results of the postal ballot will be declared, 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 the Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared, approving the buy back and having regard to the Board's intention with respect to the management of 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 the Buy Back or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be;

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 (including prospective and contingent liabilities).

6. The text of the report dated April 22, 2015 received from the Statutory Auditors of the Company viz. Price Waterhouse Chartered Accountants LLP, addressed to the Board of Directors of the Company is reproduced below:

Quote

"April 22, 2015

The Board of Directors

Clariant Chemicals (India) Limited

Reliable Tech Park, Reliable Plaza, Behind Reliable Plaza,

Thane Belapur - Road, Airoli, Navi Mumbai - 400 708.

Auditors' Report on Buy Back of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998

1. This report is issued in accordance with our agreement dated April 21, 2015.

2. We have been engaged by Clariant Chemicals (India) Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of Section 68 and 70 of the Companies Act, 2013 (the "Act") and regulations as specified in the 'Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998' and amendments thereto (the "Regulations") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations.

Board of Directors Responsibility

3. The Board of Directors of the Company is responsible for the following:

i) The amount of capital payment for the buy-back is properly determined; and

ii) It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot will be declared.

Auditor's Responsibility

4. Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following "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; and

ii. whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date on which the results of the postal ballot will be declared.

5. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:

i) Examined authorisation for buy back from the Articles of Association of the Company;

ii) Examined that 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;

iii) Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buy-back;

iv) Examined that all the shares for buy-back are fully paid-up;

v) Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the year ended December 31, 2014 (the "Audited Financial Statements") which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;

vi) Examined minutes of the meetings of the Board of Directors;

vii) Examined Directors' declarations for the purpose of buy-back and solvency of the Company; and

viii) Obtained appropriate representations from the Management of the Company.

6. We conducted our examination in accordance with the Guidance Note on Special Purpose Audit Reports and Certificates.

7. The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated February 12, 2015.

Our audit of these financial statements was conducted in accordance with the Standards on Auditing 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. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

Opinion

8. As a result of our performance of aforementioned procedures, we report that:

i. The amount of capital payment of ₹34,000 Lakhs for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on April 22, 2015, which we have initialled for identification, is within the permissible capital payment of ₹34,683.50 Lakhs calculated based on the Audited Financial Statements, which, in our opinion, is properly determined; and

ii. The Board of Directors in their meeting held on April 22, 2015 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date on which the results of the postal ballot for buyback will be declared.

Restrictions on Use

9. Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

10. 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 the Board of Directors of the Company to include in (a) Explanatory statement to be included in the postal ballot notice to be circulated to the shareholders and (b) the Public Announcement to be made to the shareholders of the Company, both of which will be filed with (a) Securities and Exchange Board of India, (b) the BSE Limited, (c) the National Stock Exchange of India Limited, (d) the Registrar of Companies as required by the Regulations, (e) the National Securities Depository Limited and the Central Depository Services (India) Limited for the purpose of extinguishment of equity shares, (f) the merchant bankers for the purpose of buyback (g) Reserve Bank of India (along with documents to be filled for obtaining necessary clearance for buy back from Non Resident Indian) and with (h) other regulatory agency with our prior approval and should not be used for any other purpose. Price Waterhouse Chartered Accountants LLP does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, explanatory statement to be included in the postal ballot notice or Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number: 39985

Place : Mumbai
Date : April 22, 2015"

Annexure I - Statement of Permissible Capital Payment for Buyback of Equity Shares:

Particulars	As at December 31, 2014 (₹ in Lakhs)
Share Capital-Subscribed and Paid up	2,666.07
Free Reserves	
- Share Premium Account	3,545.65
- General Reserves	40,946.63
- Profit and Loss Account	91,575.65
TOTAL	1,38,734.00
Maximum amount permissible for buyback i.e 25% of the total paid up capital and free reserves	34,683.50

For and on behalf of Clariant Chemicals (India) Limited

Mr. B.L. Gaggar

Executive Director Finance & Company Secretary

Unquote

7. **PROCESS AND METHODOLOGY TO BE ADOPTED FOR THE BUY BACK**

Process

The Buy-Back Offer is open to all Shareholders holding Equity Shares in physical form ("Physical Shares") and beneficial owners holding Equity Shares in dematerialised form ("Demat Shares").

The Buy-Back Offer will be implemented by the Company through the Stock Exchange mechanism, as provided under the Buy Back Regulations and circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by Securities and Exchange Board of India.

For the implementation of the Buy-Back Offer, the Company has appointed Axis Capital Limited as the registered broker ("Company's Broker") through whom the purchases and settlements on account of the Buy Back Offer would be made by the Company. The contact details of the Company's Broker is as follows:

AXIS CAPITAL LIMITED
5th Floor, Axis House, C - 2 Wadia International Centre, P. B. Marg, Worli, Mumbai - 400 025
Tel.: (91 22) 4325 2525; **Fax:** (91 22) 4325 5599
Contact Person: Mr. Ram Shinde

Methodology

a) **Placing of orders**

i. The placing of orders on the exchange system shall be as per the trading hours of the secondary market.

ii. Separate Acquisition Window will be provided by the Recognised Stock Exchanges to facilitate placing of sell orders. The details of the platform will be as specified by the Recognised Stock Exchanges from time to time.

iii. All eligible sellers through their respective stock brokers (Trading Members) will be eligible to place orders in the "Acquisition Window".

iv. Trading members already using the platform can use their existing user ids for login into the "Acquistion Window" to be provided by the Recognised Stock Exchanges.

v. During the tendering period, the trading members will have to ensure that the order for selling the shares is placed on behalf of eligible sellers. During order entry, members can enter orders for demat as well as physical shares.

vi. For orders for demat shares (except for Custodian Participant orders) early pay-in of securities is mandatory prior to placing of order and same shall be validated at the time of order entry.

vii. For Custodian Participant orders for demat shares early pay-in is mandatory prior to confirmation of order by custodian.

viii. In case of Custodian Participant orders the custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.

ix. For orders for physical shares the seller member(s) should place bids on the Acquisition Window with relevant details as mentioned on physical share certificate(s). The seller member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares etc.

x. The seller member/custodian has to deliver the shares & documents along with TRS to the Registrar and Transfer Agent ("RTA"). Physical Share Certificates to reach RTA within 2 days of bidding by seller member. One copy of the TRS will be retained by RTA and RTA to provide acknowledgement of the same to the seller member/custodian.

xi. In case of orders for physical shares, verification of physical certificates shall be done by the RTA on a daily basis and till such time the Recognised Stock Exchanges shall display such quantity as "unconfirmed physical bids". As and when the RTA confirms the records, such bids will then be treated as "confirmed bids".

xii. Modification/cancellation of orders will be allowed during the period the Buy Back is open.

xiii. For all confirmed Custodian Participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

b) **Acceptance of orders**

i. After close of the Buy Back tender period, orders (except rejected orders) shall be sent to the authorized e-mail ID of the RTA.

ii. RTA shall provide details of order acceptance to Clearing Corporation within specified timelines.

iii. Against each order, the RTA shall specify accepted quantity, accepted price and reason code in case of partial or non-acceptance of shares.

c) **Settlement of Shares**

i. The settlement of demat shares shall be effected through the special pool account of clearing corporation. Trading Members should use the settlement number to be provided by the clearing corporation to transfer the shares to the special pool account.

ii. The pay out of the shares shall be made to the securities pool account of the buying member.

iii. The direct credit of shares shall be given to the escrow demat account of the Company provided it is indicated by the Company's Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available.

iv. In case of partial or non-acceptance of orders or excess pay-in, demat shares shall be released to the securities pool account of the selling member/custodian.

v. Any excess physical shares pursuant to acceptance or allotment or rejection will be released back to the investors directly by the registrar to the offer.

d) **Special Account *opened with the Clearing Corporation***
[To be provided by BSE and NSE]

8. The Buy Back shall be implemented in the manner and following the procedure prescribed in the Companies Act, the Buy Back Regulations, circulars issued by the Recognised Stock Exchanges and as may be determined by the Board (including the Committee authorized to complete the formalities of the Buy Back) and on such terms and conditions as may be permitted by law from time to time.

9. **RECORD DATE AND SHAREHOLDER'S ENTITLEMENT**

9.1. As required under the Buy Back Regulations, the Company has announced the record date (the "**Record Date**") of July 20, 2015 for the purpose of determining the entitlement and the names of the shareholders, who are eligible to participate in the Buy Back Offer.

9.2. The Equity Shares to be bought back as a part of this Buy Back Offer is divided into two categories:

- Reserved category for Small Shareholders; and
- General category for all other shareholders.

9.3. As defined in the Buy Back Regulations, a "**Small Shareholder**" is a shareholder who holds equity shares having market value, on the basis of closing price on BSE as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lakhs).

9.4. In accordance with Regulation 6 of the Buy Back Regulations, 15% (fifteen per cent) of the number of Equity Shares which the Company proposes to buy back, or number of Equity Shares entitled as per shareholding of Small Shareholders, whichever is higher, shall be reserved for the Small Shareholders as part of this Buy Back.

9.5. On the basis of shareholdings as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buy Back. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy Back applicable in the category to which such shareholder belongs.

9.6. Participation in the Buy Back shall be voluntary. Equity Shareholders of the Company shall have the option to participate, in part or in full, and get cash in lieu of Equity Shares to be accepted under the Buy Back or they may choose not to participate and enjoy a resultant increase in their percentage shareholding in the Company post Buy Back without additional investment. Further, Equity Shareholders of the Company shall have the option of tendering additional Equity Shares (over and above their entitlement) and participate in the shortfall due to non-participation by some other Equity Shareholders of the Company, if at all.

9.7. The maximum tender under the Buy Back by any Equity Shareholder of the Company cannot exceed the number of Equity Shares held by such Equity Shareholder of the Company as on the Record Date.

9.8. The Equity Shares tendered as per the entitlement by the Equity Shareholders of the Company as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in Buy Back Regulations.

9.9. Detailed instructions for participation in the Buy Back (tendering of Equity Shares in the Buy Back) as well as the relevant time table will be included in the letter of offer which will be sent in due course to the Equity Shareholders of the Company as on the Record Date.

10. **COMPLIANCE OFFICER**

Ms. Amee Joshi,
Company Secretary & Compliance Officer,
Reliable Tech Park, Thane-Belapur Road, Airoli,
Navi Mumbai - 400708,
Tel.: +91 22 7125 1000
Fax: +91 22 7125 1201
Email: investor.relations_India@clariant.com

Investor may contact the Compliance Officer for any clarification 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.

11. **INVESTOR SERVICE CENTRE & REGISTRAR TO THE OFFER**

In case of any query, the shareholders may contact the Registrar & Transfer Agent of the Company on any day except holidays between 10.00 a.m. to 5.00 p.m. at the following address:

SHAREPRO SERVICES (INDIA) PRIVATE LIMITED

Plot no. 13 AB , Shamita Warehosuing Complex, 2nd floor, Sakinaka Telephone Exchange lane,
Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai, Maharashtra - 400 072
Tel.:+91 22 6191 5400; **Fax:** +91 22 6191 5444
Contact Person: Mr. Anand Moolya
E-mail: offer@shareproservices.com; **Website:** www.shareproservices.com

12. **MANAGER TO THE BUY BACK**

AXIS CAPITAL LIMITED

1st Floor, Axis House, C-2 Wadia International Centre, P. B. Marg, Worli, Mumbai - 400 025
Tel.: +91 22 4325 2183; **Fax:** +91 22 4325 3000
Contact Person: Ms. Simran Gadh
Email: ccil@axiscap.in; **Website:** www.axiscapital.co.in

13. **DIRECTORS' RESPONSIBILITY**

As per Regulation 19(1)(a) of the Buy Back Regulations, the Board of Directors of the Company accepts responsibility for all the information contained in this Public Announcement.

For and on behalf of the Board of Directors of Clariant Chemicals (India) Limited

Sd/-	Sd/-	Sd/-
Dr. Deepak Parikh	Dr. (Mrs.) Indu Shahani	Amee Joshi
Vice Chairman & Managing Director	Independent Director	Company Secretary & Compliance Officer

Date : July 9, 2015
Place : Navi Mumbai

PRESSMAN