



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

November 24, 2020

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (E) Mumbai 400 051

Stock Symbol: JBCHEPHARM

Dear Sir,

Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Securities and Exchange Board of India circular bearing reference no. CIR/CFD/CMD/4/2015 dated September 9, 2015

Ref: Issue of Postal Ballot Notice

Attached please find postal ballot notice dated 20-11-2020 dispatched today to the members of the Company seeking their assent or dissent by remote e-voting to three ordinary resolutions pertaining to (i) appointment of Deloitte Haskins & Sells LLP, Chartered Accountants, as auditors in casual vacancy caused by resignation of D N V & Co., Chartered Accountants (ii) appointment of Mr. Nikhil Chopra [DIN: 07220097] as a director of the Company, and (iii) approval to the appointment of Mr. Nikhil Chopra as Chief Executive Officer and Whole-time director of the Company and the terms and conditions of such appointment and remuneration payable to him, in terms of the respective Resolution set out in the said postal ballot notice.

The Company has dispatched the said postal ballot notice only through e-mail to those members of the Company who have registered their e-mail address with the Company or depository participant/depository as on 20-11-2020 ("cut-off date"). The remote e-voting has commenced on 24-11-2020 and would end on 23-12-2020. During this period, the members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date only shall be entitled to cast their vote through remote e-voting.

The result of the postal ballot will be declared on 24-12-2020.

We request you to take the above disclosure on record.

Thanking You,

Yours faithfully,

For J.B. Chemicals & Pharmaceuticals Ltd.

M. C. Mehta

Company Secretary & Vice President - Compliance

Registered Office:
Neelam Centre, B Wing, 4th Floor
Hind Cycle Road
Worli, Mumbai - 400 030

Corporate Office:
Cnergy IT Park
Unit A2, 3rd Floor, Unit A, 8th Floor
Appa Saheb Marathe Marg, Prabhadevi
Mumbai - 400 025

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CIN: L24390MH1976PLC019380



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CIN: L24390MH1976PLC019380, Web: www.jbcpl.com, Email: secretarial@jbcpl.com, Tel: (022) 2439 5500/ 5200

POSTAL BALLOT NOTICE

Dear Member,

NOTICE IS HEREBY GIVEN pursuant to Section 110 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014 as amended (including any statutory modification or re-enactment thereof) read with General Circular No. 14/2020 dated 8th April, 2020, General Circular No.17/2020 dated 13th April, 2020 and General Circular No. 33/2020 dated 28th September, 2020 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") that the Resolutions as set out hereunder are proposed to be passed by voting by postal ballot and the Company accordingly seeks assent or dissent of the members through remote e-voting.

In view of the current extraordinary circumstances due to the pandemic caused by COVID-19 requiring social distancing, Ministry of Corporate Affairs, through MCA Circulars, mandated the companies to take decisions of urgent nature through postal ballot and has allowed the companies to send notice only by e-mail to its shareholders who have registered their e-mail address with the company or depository participant/depository. Accordingly, this notice is being sent only by e-mail to the members of the Company who have registered their e-mail address with the Company or depository participant/depository as on the cut-off date (refer note 2 below). In view of enabling provisions of the MCA Circulars, hard copy of this notice, postal ballot form and postage pre-paid reply envelope are not sent to the members and the members are requested to convey their assent or dissent only through remote e-voting. The remote e-voting facility is available at <https://www.evoting.nsdl.com/> being the e-voting platform of National Securities Depository Limited (NSDL). If your e-mail address is not so registered, you are requested to follow the process specified in the notes below to receive login ID/password for remote e-voting.

An explanatory statement pursuant to Section 102 (1) of the Act concerning each Resolution is annexed hereto. The Board of directors of the Company has appointed Mr. Ashish Bhatt, proprietor of Ashish Bhatt & Associates, Practising Company Secretary, as Scrutinizer to conduct the remote e-voting process in a fair and transparent manner.

The remote e-voting shall commence on **Tuesday, 24-11-2020** at 9.00 a.m. (IST) and end on **Wednesday, 23-12-2020** at 5.00 p.m. (IST) and the voting shall not be allowed beyond the said date and time. The result of postal ballot will be declared on Thursday, 24-12-2020 at 3.00 p.m. (IST) at the registered office by placing the same along with Scrutinizer's report on notice board at Company's registered office and corporate office. The same will also be placed on the Company's website www.jbcpl.com and website of NSDL www.evoting.nsdl.com and intimated to National Stock Exchange of India Ltd. and BSE Ltd. where equity shares of the Company are listed.

RESOLUTION 1: To approve appointment of Deloitte Haskins & Sells LLP, Chartered Accountants, as statutory auditors in casual vacancy caused by resignation of D N V & Co., and to consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Deloitte Haskins & Sells LLP, Chartered Accountants, having firm registration number 117366W/W-100018, be and is hereby appointed as auditors of the Company in casual vacancy caused in the office of auditor by the resignation of D N V & Co., Chartered Accountants, (firm registration no. 102079W), to hold office as such till the conclusion of the next annual general meeting of the Company at remuneration of Rs. 53.50 lakhs plus applicable GST and out of pocket expenses incurred in the course of acting as auditors of the Company.



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RESOLVED FURTHER THAT any of the directors, chief financial officer and company secretary of the Company be and are hereby severally authorized to do and perform such acts, deeds and things as are necessary or expedient to give effect to this resolution."

RESOLUTION 2: To appoint Mr. Nikhil Chopra [DIN: 07220097] as Director and, in this regard, pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. Nikhil Chopra (DIN: 07220097), who was appointed by the Board as an additional director of the Company pursuant to Section 161 of the Companies Act, 2013 and Article 130 of the Articles of Association of the Company on 5-10-2020, 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 appointed, pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under as director of the Company."

RESOLUTION 3: To approve appointment of Mr. Nikhil Chopra [DIN: 07220097] as Chief Executive Officer and Whole-time director of the Company and the terms and conditions of such appointment and remuneration payable to him and, in this regard, pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the said Act", which shall include any statutory modification or re-enactment thereof) read with and subject to Schedule V to the said Act and further subject to approval of the Central Government and other concerned authorities, if and as and when required, the approval of the members of the Company be and is hereby accorded to the appointment of Mr. Nikhil Chopra [DIN: 07220097] (hereinafter also referred to as "appointee") as Chief Executive Officer and Whole-time director of the Company for a period of five (5) years with effect from October 5, 2020 ("Term") on the terms and conditions as to appointment and remuneration and all other terms and conditions as set out in the employment agreement dated October 5, 2020 ("the said agreement") submitted to the members, which agreement is hereby specifically approved.

RESOLVED FURTHER THAT, subject to the limit prescribed in Section I of Part II of Schedule V to the said Act as presently in force read with Section 196, 197 and other applicable provisions of the said Act, and keeping in view financial position of the Company, profile of the position and experience of the appointee, the members of the Company hereby also approves, without prejudice to generality of the approval contained in the preceding paragraph, of the payment of (i) remuneration of Rs. 50,000,000 ("Salary") for each financial year (calculated pro-rata for part of the financial year) during the Term, sixty-six percent (66%) of which Salary shall be payable as fixed compensation in the manner provided in the said agreement and the remaining thirty-four percent (34%) will be payable as variable component subject to satisfaction of annual KRAs the achievement whereof for each financial year shall be evaluated by the Nomination and Remuneration Committee of the Company at its discretion, and (ii) one-time bonus of Rs. 5,739,000 for the financial year 2020-21 payable in addition to the Salary for 2020-21 calculated as per (i) above, to Mr. Nikhil Chopra for his services as Chief Executive Officer and Whole-time director of the Company.

RESOLVED FURTHER THAT the Salary shall include the benefits under any incentive, savings and retirement plans, policies and programs maintained by the Company and any pension scheme, gratuity and provident fund but the Salary



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will not include (a) payment towards reimbursement of petrol expenses incurred for travel to or from place of work (b) cost incurred on insurances maintained by the Company as per policy of the Company (c) subscription fee or other revenue payments made in relation to one club membership for business purposes of the Company, and (d) the value of stock options that may be granted to him, and such expense incurred by the Company if regarded as remuneration within the meaning of the said Act, then the same shall be over and above the Salary.

RESOLVED FURTHER THAT the payment of remuneration shall be subject to withholding taxes and other applicable taxes, contributions and deductions as required under applicable law and as set out in the said agreement.

RESOLVED FURTHER THAT, subject to such approvals as may be required, Board of directors of the Company be and is hereby authorized to consider and approve, in its discretion, periodic increment in the Salary payable to Mr. Nikhil Chopra, being review consistent with frequency of review of remuneration of other senior management personnel of the Company, and until such review, the Company do continue to pay previously approved remuneration to Mr. Nikhil Chopra.

RESOLVED FURTHER THAT, subject to such approvals as may be required, if the Company has no profits or its profits are inadequate during any financial year during tenure of Mr. Nikhil Chopra as Chief Executive Officer and Whole-time director then, notwithstanding the limit specified in Section II of Part II of the said Schedule V, the salary, allowances, perquisites and other benefits approved for payment to Mr. Nikhil Chopra for such financial year be paid and provided to him as minimum remuneration.

RESOLVED FURTHER THAT the Board of directors be and is hereby conferred authority to vary, amend, modify, revise and supplement the terms and conditions of the said agreement or any other terms and conditions of the said appointment, without further reference to the members, as they deem fit in the best interest of the Company, subject to such approvals as are required under applicable law.

RESOLVED FURTHER THAT, subject to the provisions of the said Act, Mr. Nikhil Chopra shall not be liable to retire by rotation as a director during his tenure as Chief Executive Officer and Whole-time director of the Company.

RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to take such steps as may be necessary or expedient to give effect to this resolution and is further authorized to settle any doubt, question and difficulty, if any, that may arise with respect to this resolution."

By Order of the Board of Directors
For J.B. Chemicals & Pharmaceuticals Limited

M.C. Mehta
Company Secretary & Vice President-Compliance
Membership No.: ACS-8854

Date : 20-11-2020
Place : Mumbai



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NOTES:

1. An Explanatory Statement pursuant to Section 102 (1) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder setting out material facts and reasons concerning the above three (3) proposed resolutions is annexed hereto.
2. The Board of directors has decided Friday, 20-11-2020 as cut-off date ("cut-off date") for ascertaining the names of the members entitled to receive this postal ballot notice and reckoning their right to vote through remote e-voting on the aforesaid three (3) resolutions. Accordingly, only the members appearing on the register of members/record of the depositories on the cut-off date shall be entitled to vote on the proposed three (3) resolutions mentioned above in proportion to the number of equity shares held on the cut-off date and hence this postal ballot notice is being sent to them through e-mail. A person who is not a member of the Company as on the cut-off date should treat the notice for information purposes only.
3. In view of the MCA Circulars, this postal ballot notice is being sent through e-mail only to those shareholders who have registered their e-mail address with the depository participant/depository or the Company. If you have not so registered your e-mail address, you may register the same on or before Wednesday, 16-12-2020 to receive this postal ballot notice and login ID/password for remote e-voting, by following the process as under:
 - (a) In case the shares are held in physical mode, the member is requested to write to the Company at secretarial@jbcpl.com along with the copy of signed request letter mentioning the name and address, folio number, number of shares held on cut-off date, designated e-mail ID, self-attested copy of PAN card and self-attested copy of any identity proof in support of the address;
 - (b) In case the shares are held in dematerialized mode, the member is requested either to write to the Company at secretarial@jbcpl.com along with the copy of signed request letter mentioning the name and address, number of shares held on cut-off date, designated e-mail ID, self-attested copy of client master or consolidated account statement, self-attested copy of PAN card and self-attested copy of any identity proof in support of the address or alternatively, the member may update e-mail address with the depository participant/depository and provide the Company updated client master or consolidated account statement.
4. The institutional investors are encouraged to participate and vote on this postal ballot notice.
5. This postal ballot notice 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 AND STEPS TO BE FOLLOWED THEREFOR:

6. 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,



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2015 and the MCA Circulars, the Company provides facility of remote e-voting to its members in respect of the proposed three (3) resolutions as set out above. 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 will be provided by NSDL.

7. The members holding shares of the Company as on the cut-off date shall be entitled to cast vote through remote e-voting facility.
8. 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/>.
9. 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 **Tuesday, 24-11-2020** at 9.00 a.m. (IST) and will end on **Wednesday, 23-12-2020** at 5.00 p.m. (IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 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?

- (a) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal Computer or on a mobile.
- (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.nsdl.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.



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(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. Trace the email sent to you from NSDL from your mailbox. 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.3 above.
- (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.nsdl.com.
 - b) Click on Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.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.



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- (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.

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.

10. General Information:

- (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) 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.
- (b) 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.
- (c) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. 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 to reset the password.
- (d) The members who have already cast their vote by remote e-voting shall not be allowed to change their vote subsequently or cast the vote again.



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(e) Immediately after conclusion of the remote e-voting, the Scrutinizer shall unblock the votes cast and submit his report thereon within 48 hours to the Chairman of the Company or any person authorized by him.

11 Members who need technical assistance with regard to remote e-voting 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.

12 All the documents referred to in the accompanying explanatory statement being documents available for inspection, shall also be made available through electronic mode for inspection by any member on the basis of request received at secretarial@jbcpl.com. Upon receipt of such request, the Company would provide the link to inspect such documents.

13 Pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of Mr. Nikhil Chopra is provided in the relative explanatory statement set out below for Resolution 2 and Resolution 3.

14 The above notes form an integral part of this postal ballot notice.

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

All material facts and reasons concerning proposed Resolution 1, Resolution 2 and Resolution 3 as set out above are provided in the following statement accompanying this postal ballot notice.

RESOLUTION 1:

The members of the Company at 41st annual general meeting held on 19-9-2017 appointed M/s D N V & Co. [firm registration no. 102079W], Chartered Accountants, as auditors of the Company to hold office for a term of five consecutive years from the conclusion of 41st annual general meeting till the conclusion of the 46th annual general meeting of the Company to be held in the calendar year 2022.

M/s D N V & Co., vide its letter dated 10-11-2020 has, in view of the Company's need to have auditor having high acceptability among institutional investors as also auditor, who have resources to assign across geographies in which the Company and its direct and indirect subsidiaries function and allow the Company to make such changes, resigned as auditors of the Company. There is no other reason for their resignation. Pursuant to Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India, their resignation has become effective on 10-11-2020 being the date of their signing limited review report for the quarter ended on September 30, 2020.

Consequent to resignation of M/s D N V & Co., the Board of directors of the Company, accepting recommendation of the Audit Committee, has at its meeting held on 10-11-2020, appointed, subject to approval of the members, Deloitte



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Haskins & Sells LLP, Chartered Accountants, having firm registration number 117366W/W-100018, as auditors of the Company in casual vacancy caused by the resignation of D N V & Co., Chartered Accountants (firm registration no. 102079W), to hold office as such till the conclusion of the next annual general meeting of the Company at remuneration of Rs. 53.50 lakhs plus applicable GST and out of pocket expenses.

Section 139 (8) of the Act provides that if casual vacancy in the office of auditor is caused as a result of the resignation of an auditor, then appointment of new auditor in such casual vacancy shall also be approved by the company at general meeting convened within three months of the recommendation of the Board. Section 110 of the Act provides that a company may, in respect of any item of business other than ordinary business and any business in respect of which directors or auditors have a right to be heard at a meeting, transact such business by postal ballot instead of transacting such business at a general meeting.

Deloitte Haskins & Sells LLP, Chartered Accountants, having firm registration number 117366W/W-100018, vide its letter dated 10-11-2020, has consented to act as auditors of the Company and confirmed that they are eligible for appointment as auditors of the Company and meet criteria for such appointment and their appointment, if made, will be within the limit laid down by or under the Act. They have also confirmed that they hold valid peer review certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Deloitte Haskins & Sells LLP is registered with the Institute of Chartered Accountants of India (Registration No. 117366W/W-100018) and has national and international presence. They have significant experience in serving some of the largest and most respected companies and business houses in India and their audit and assurance team has over 2,500 professionals.

Your directors are of the opinion that appointment of Deloitte Haskins & Sells LLP as auditors of the Company is in overall interest of the Company and accordingly recommend their appointment to the members for approval.

Notice of resignation dated 10-11-2020 received from M/s D N V & Co. and consent dated 10-11-2020 for appointment as auditors received from Deloitte Haskins & Sells LLP ("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 last date of casting vote pursuant to this postal ballot notice. 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 hours aforesaid. The said documents shall also be made available through electronic mode for inspection by any member on the basis of request received at secretarial@jbcpl.com. Upon receipt of such request, the Company would provide the link to inspect such documents.

None of the directors and key managerial personnel of the Company and their relatives are concerned or interested in this item of business or the Resolution 1.

RESOLUTION 2:

The Board of directors appointed Mr. Nikhil Chopra (DIN: 07220097) as additional director on October 5, 2020. As provided under Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he holds office up to the date of ensuing annual general meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member of the Company proposing candidature of Mr. Nikhil Chopra for his appointment to the office of director of the Company.



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Mr. Nikhil Chopra has given his consent to act as director of the Company and furnished a declaration that he is not disqualified to be appointed as a director.

Mr. Nikhil Chopra is a business leader in the field of pharmaceutical business and possesses functional expertise in the area of development and execution of growth strategies for pharmaceutical products including promotion, marketing and sale thereof. He also possesses appropriate skills, experience and knowledge in these areas.

Mr. Nikhil Chopra, 47, is a Business leader with over 20 years of experience backed up with consistent record of sustainable growth and shareholder value creation. For over two decades, he has spearheaded breakthrough ideas focused on creating greater access to high quality treatment and medicines, and gain a significant competitive advantage over peers, especially in therapies such as Respiratory, Urology HIV and Paediatric Care. He holds M.Sc. (Organic Chemistry) from Gujarat University.

Mr. Nikhil Chopra is not related to any director or key managerial person of the Company. He is on Board of Company's subsidiary companies viz. Biotech Laboratories (Pty.) Ltd., South Africa and LLC Unique Pharmaceutical Laboratories, Russia. He does not hold directorship in any other listed or unlisted entity. He is a member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee of the Company. He does not hold any other committee position in any other company. He does not hold any shares in the Company. He attended all meetings of the Board held since the date of his appointment i.e. meeting held on 5-10-2020 and 10-11-2020.

Your Board believes that keeping in view Mr. Nikhil Chopra's background, qualifications, skills, experience and functional expertise, his continued association would be immensely beneficial to and is in interest of the Company and help Board maintain appropriate balance of skills, experience and knowledge and necessary diversity and would thus help Board discharge its functions and duties effectively. Accordingly, your directors recommend his appointment and commend the Resolution 2 for approval of the members. His appointment as a director was also recommended to the Board for approval by Nomination and Remuneration Committee of the Board.

The Articles of Association of the Company and notice received from a member ("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 last date of casting vote pursuant to this postal ballot notice. 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 hours aforesaid. The said documents shall also be made available through electronic mode for inspection by any member on the basis of request received at secretarial@jbcpl.com. Upon receipt of such request, the Company would provide the link to inspect such documents.

Mr. Nikhil Chopra and his relatives may be considered as concerned or interested in this item of business and/or Resolution 2. 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 2.

RESOLUTION 3:

Mr. Nikhil Chopra, is a Business leader with over 20 years of experience backed up with consistent record of sustainable growth and shareholder value creation. For over two decades, he has spearheaded breakthrough ideas focused on



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creating greater access to high quality treatment & medicines, and gain a significant competitive advantage over peers, especially in therapies such as Respiratory, Urology HIV and Paediatric Care. Prior to joining the Company, Mr. Nikhil Chopra worked as CEO-India Business at Cipla Limited.

In the area of Healthcare | Pharmaceuticals | Health Technology | Public Health, Mr. Nikhil Chopra:

- Led and managed diversified boards, teams and cross functions to drive business outcomes as aligned with strategic growth plans;
- Has been at the forefront of innovation by kick-starting 'Beyond the Pill' and "Direct to Consumer" initiatives in Indian pharmaceutical industry;
- Incubated new revenue generating platforms in diagnostic services and digital therapeutics;
- Led strategic partnerships with innovator companies for patented medicines and new drug delivery systems, thereby expanding footprint in therapies such as Cardiology, Diabetes and Oncology;
- Driven mass scale digital transformation for field force as well as Health Care Professionals' engagements;
- Spearheaded implementation for the largest Patient Support Program in the field of Respiratory which ensures more than 2 million patient touchpoints every year; and
- Has strong track record in driving cross functional collaboration and nurturing talent to own up higher responsibilities across functions.

The other details and information pertaining to Mr. Nikhil Chopra provided in explanatory statement for Resolution 2 above is also included in this explanatory statement by reference to avoid repetition thereof.

Keeping in view rich experience of Mr. Nikhil Chopra in the pharmaceutical industry and results achieved by him, the Board of directors of the Company, at meeting held on 5-10-2020, appointed Mr. Nikhil Chopra as Chief Executive Officer and Whole-time director of the Company for a term of five (5) years with effect from October 5, 2020, subject to approval by members of the Company. Subject to the superintendence and control of the Board of directors, Mr. Nikhil Chopra, in his capacity as Chief Executive Officer and Whole-time director of the Company, shall be responsible for the management of the Company and its affairs on day-to-day basis and he in particular shall have ultimate control over the affairs of the factories of the Company.

The Nomination and Remuneration Committee and the Board of directors, at their meeting held on October 5, 2020 have approved appointment of and remuneration, as hereinafter broadly mentioned, payable to Mr. Nikhil Chopra, which is in line with remuneration policy of the Company. The terms and conditions of appointment of and remuneration payable to Mr. Nikhil Chopra for his services as Chief Executive Officer and Whole-time director of the Company are more particularly set out in the Employment Agreement dated 5-10-2020 executed by the Company with him ("the said Agreement").

The key terms and conditions of appointment and remuneration payable to Mr. Nikhil Chopra for his services as Chief Executive Officer and Whole-time director of the Company are as under:

Term: Five (5) years from October 5, 2020 to October 4, 2025.



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Remuneration:

- (i) Remuneration of Rs. 50,000,000 ("Salary") for each financial year (calculated pro-rata for part of the financial year) during the Term, sixty-six percent (66%) of which Salary shall be payable as fixed compensation and the remaining thirty-four percent (34%) will be payable as variable component subject to satisfaction of annual KRAs the achievement whereof for each financial year shall be evaluated by the Nomination and Remuneration Committee of the Company.
- (ii) Fixed Salary is payable in equal monthly instalments and at present monthly fixed salary of Rs. 2,750,001 comprises of base salary Rs. 1,274,300, various allowances Rs. 1,261,491 and retiral benefits Rs. 214,210.
- (iii) One-time bonus of Rs. 5,739,000 for the financial year 2020-21 payable in addition to Fixed Salary for 2020-21.
- (iv) Salary shall include the benefits under any incentive, savings and retirement plans, policies and programs maintained by the Company and any pension scheme, gratuity and provident fund but the Salary does not include (a) payment towards reimbursement of petrol expenses incurred for travel to or from place of work (b) cost incurred on insurances maintained by the Company as per policy of the Company (c) subscription fee or other such revenue payments made in relation to one club membership for business purposes of the Company, and (d) the value of stock options that may be granted to him, and such expenses incurred by the Company if regarded as remuneration within the meaning of the Companies Act, 2013, then the same shall be over and above the Salary.
- (v) Employee Stock Options: As per the Scheme that will be framed by the Company.

Leave and holidays: As per Policy of the Company.

Termination: By 3 months' notice by the Company.

Resignation: By 9 months' notice by Mr. Chopra.

As required by Section 196 read with Part III of Schedule V to the Companies Act, 2013, the Company seeks approval of the members to the appointment of and remuneration payable to Mr. Nikhil Chopra as Chief Executive Officer and Whole-time director of the Company. Mr. Nikhil Chopra has confirmed his compliance with conditions set out in Part I of Schedule V to the Companies Act, 2013.

In view of Mr. Nikhil Chopra's vast experience and in-depth knowledge and understanding of the pharmaceutical business and the domestic and international pharmaceutical industry, his appointment as Chief Executive Officer and Whole-time director would help Company grow the existing business and also expand into new areas. Therefore, the Board of directors commend the Resolution 3 for approval of the members as it is in the best interest of the Company.

Pursuant to Article 139 and Article 167 of the Articles of Association, the Board of directors recommend that Mr. Nikhil Chopra, so long he holds office of whole-time director of the Company, shall not be liable to retirement by rotation.

The said Agreement and articles of association of the Company ("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



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Saturday, Sunday and public holidays) up to the last date of casting vote pursuant to this postal ballot notice. 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 hours aforesaid. The the said documents shall also be made available through electronic mode for inspection by any member on the basis of request received at secretarial@jbcpl.com. Upon receipt of such request, the Company would provide the link to inspect such documents.

Mr. Nikhil Chopra and his relatives may be considered as concerned or interested in this item of business and/or Resolution 3. 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 3.

By Order of the Board of Directors
For J.B. Chemicals & Pharmaceuticals Limited

M.C. Mehta
Company Secretary & Vice President-Compliance
Membership No.: ACS-8854

Date : 20-11-2020
Place : Mumbai