



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

November 13, 2019

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

Stock Symbol: JBCHEPHARM

Dear Sir,

Ref: Buy-back of Equity Shares of J.B. Chemicals & Pharmaceuticals Limited (the "Company")

Sub: Filing of copy of Board Resolution pursuant to the provisions of SEBI (Buy-Back of Securities) Regulation, 2018 ("said Regulations")

This is to inform you that in compliance with Article 190 of the Articles of Association of the Company, Sections 68, 69 and 70 of the Companies Act, 2013 and rules framed thereunder, to the extent applicable and SEBI (Buy-back of Securities) Regulations, 2018, the Board of Directors of the Company at its meeting held on November 12, 2019 has approved the Buy-back of up to 29,54,545 Equity Share of face Value of Rs. 2/- each at a price of Rs. 440 per Equity Share aggregating to maximum amount up to Rs. 130 crores (Rupees one hundred thirty Crores Only) excluding Transaction Costs. The Buy-back is 9.33% and 9.38 % of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements of the Company respectively, for the financial year ended on March 31, 2019, through the "Tender Offer" route as prescribed under the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, on a proportionate basis, from the Equity Shareholders/beneficial owners of the Equity Shares of the Company including promoters, members of promoter group and persons acting in concert, as on the record date.

As required under regulation 5(vii) of the SEBI (Buy-back of Securities) Regulations, 2018, the certified true copy of the Board Resolution is enclosed for your record.

Thanking you,

Yours faithfully,

For J. B. Chemicals & Pharmaceuticals Ltd.

M. C. Mehta

Company Secretary & Vice President-Compliance

Encl: a/a

📍 **Registered Office:**

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CERTIFIED TRUE COPY OF RESOLUTION PASSED AT A MEETING OF THE BOARD OF DIRECTORS
HELD ON NOVEMBER 12, 2019

"RESOLVED THAT pursuant to provisions of Article 190 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and all other applicable provisions of the Companies Act, 2013 (**"the Act"**) and applicable rules made there under including the Companies (Share Capital and Debentures) Rules, 2014 as amended, if and to the extent applicable and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended from time to time (**"Buy-back Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) and subject to such other approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (herein referred to as the **"Board"** which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution), consent of the Board be and is hereby accorded for the Buy-back of fully paid up equity shares by the Company having face value of ₹2/- each (**"Equity Share(s)"**) up to 29,54,545 Equity Shares (representing 3.68% of the total paid-up Equity Shares of the Company) at a price of ₹ 440/-(Rupees four hundred fortyonly) (**"Buy-back Price"**) per Equity Share payable in cash for a total consideration not exceeding ₹ 130,00,00,000/-(Rupees one hundred thirty crores only), excluding transaction costs viz. fees, brokerage, buy-back tax, other applicable taxes such as securities transaction tax, goods and service tax, stamp duty, etc. (**"Transaction Costs"**) (hereinafter referred to as **"Buy-back Size"**), which represents 9.33% and 9.38% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statements and audited consolidated financial statements respectively, of the Company for the financial year ended on March 31, 2019, through the **"Tender Offer"** route as prescribed under the Buy-back Regulations (the process being referred hereinafter as **"Buy-back"**), on a proportionate basis, from the equity shareholders / beneficial owners of the Equity Shares of the Company including promoters, members of promoter group and persons acting in concert, as on the record date, it being understood that the **"Promoter"**, **"Promoter Group"** and **"Persons Acting in Concert"** will be such persons as have been disclosed under the shareholding pattern filings made by the Company from time to time under Listing Regulations and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

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RESOLVED FURTHER THAT the Board of Directors hereby fixes Friday, November 22, 2019 as the Record Date for the purpose of Buy-back of Equity Shares of the Company ("Record Date").

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

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

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

RESOLVED FURTHER THAT the Company shall implement the Buy-back using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time and the Company shall approach the BSE Limited or National Stock Exchange of India Limited for facilitating the same.

RESOLVED FURTHER THAT the Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations").

RESOLVED FURTHER THAT in terms of Regulation 24(iii) of the Buy-back Regulations, Mr. Mayur Mehta, Company Secretary and Compliance Officer, be and is hereby appointed as the

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Compliance Officer for the proposed Buy-back and Link Intime India Private Ltd., Registrar to the Buy-back offer, is appointed as the Investor Service Centre.

RESOLVED FURTHER THAT the Board of Directors hereby confirms that –

- i. All the Equity Shares which the Company proposes to buy-back are fully paid up;
- ii. The aggregate consideration for the Buy-back is not exceeding ₹[130,00,00,000/- (Rupees one hundred thirty crores only) excluding Transaction Costs and does not exceed 10% of the aggregate of the fully paid up equity share capital and free reserves (including security premium account) as per the audited standalone financial statements and audited consolidated financial statements of the Company for the year ended on March 31, 2019 and the maximum number of Equity Shares proposed to be bought back under the Buy-back i.e. 29,54,545 Equity Shares do not exceed 25% of the total number of equity shares in the paid up share capital of the Company;
- iii. The Company shall not issue any Equity Shares or other specified securities including by way of bonus till the date of expiry of the Buy-back period except in discharge of subsisting obligations such as stock option schemes, sweat equity, as may be permitted under the relevant regulations and applicable law;
- iv. The Company shall not raise further capital for a period of one year from the expiry of the Buy-back period, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- v. The Company shall not Buy-back any locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
- vi. The Company shall not Buy-back its Equity Shares from any person through negotiated deal whether on or off the Stock Exchange(s) or through spot transactions or through any private arrangement;
- vii. The Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;

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- viii. The Company has not undertaken a Buy-back of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- ix. There are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks;
- x. The ratio of the aggregate of secured and unsecured debts owned by the Company immediately after the Buy-back shall not be more than twice the paid up capital and free reserves of the Company based on both standalone and consolidated financial statements of the Company;
- xi. There shall not be pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act outstanding as on the date of Public Announcement;
- xii. The Company will not withdraw the Buy-back after the Draft Letter of Offer is filed with the SEBI or Public Announcement of Buy-back is made;
- xiii. The funds borrowed from banks and financial institutions will not be used for the Buy-back;
- xiv. The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act.

RESOLVED FURTHER THAT nothing contained herein above shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board to buy-back any Equity Shares, and / or impair any power of the Company or the Board to terminate any process in relation to such Buy-back as permissible by law.

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

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

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required and sign and issue the Public Announcement, Draft Letter of Offer, Letter of Offer and Post Buy-back Announcement and addendum/corrigendum thereto, all relevant forms, documents, applications, consents, undertakings, declarations, confirmation and such other documents and to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the Buy-back.

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

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

- a) That immediately following the date of this Board Meeting i.e., November 12, 2019, there will be no grounds on which the Company can be found unable to pay its debts;
- b) That as regards the Company's prospects for the year immediately following the date of this Board Meeting i.e. November 12, 2019, and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting.
- c) In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 1956 or Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016 (including prospective and contingent liabilities);

RESOLVED FURTHER THAT in terms of Section 68(6) of the Act read with Regulation 8(1)(b) of the Buy-back Regulations, the drafts of the declaration of solvency prepared in the prescribed form and supporting affidavit, the statement of assets and liabilities in the prescribed form SH-9 as at March 31, 2019, as placed before the Board, be and are hereby approved and Mr. Jyotindra B Mody (DIN: 00034851) - Chairman & Managing Director, and any one of Mr. Shirish B. Mody (DIN:00035051) - Whole time director (Marketing), Mr. Bharat P. Mehta (DIN: 00035444) - Whole time director (Planning & Development) and Mr. Pranabh Mody (DIN: 00035505) – President & Whole time director (Operations) of the Company be and are hereby authorized to sign the same for and on behalf of the Board, and Mr. Mayur Mehta, Company Secretary and Compliance Officer, be and is hereby authorised to file the same with the Registrar of Companies, Maharashtra, Mumbai, ("ROC") and the Securities and Exchange

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Board of India or any such other concerned authorities, as may be necessary in accordance with applicable laws.

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

1. Appoint Buy-back broker, registrar to the Buy-back offer, advertisement agency, printers, escrow agents and such other persons/consultants for the Buy-back as may be required or deemed fit;
2. fix up the remuneration including commission, brokerage, fees, charges etc. and terms & conditions for the appointments referred to in point 1 above;
3. fix entitlement ratio in accordance with the Buy-back Regulations for the eligible shareholders from whom the buy-back of Equity Shares shall be made;
4. approve / file the final public announcement, draft letter of offer and final letter of offer, filing of declaration of solvency, certificate of extinguishment of equity shares and extinguishment of equity shares in dematerialized form and all other documents / acts required to be filed / done in connection with the Buy-back Offer with SEBI, stock exchange, ROC, National Securities Depository Limited, Central Depository Services (India) Limited, together referred as ("Depositories") and other appropriate authorities;;
5. make all the applications to the appropriate authorities for their requisite approvals;
6. open, operate and close all the necessary accounts such as broking account, escrow account, special account(s) and any other bank account(s) and depository account for the purpose of the Buy-back Offer and authorize persons to operate the said accounts;
7. arrange for bank guarantees and/or Cash Deposits and/or Marketable Securities as may be necessary for the Buy-back Offer in accordance with applicable laws;
8. decide source of funds for paying the consideration to the equity shareholders who have tendered their equity shares in the Buy-back Offer;

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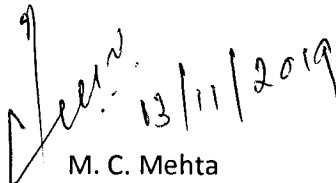
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9. authorize bankers to act upon the instructions of the Merchant Banker as required under the Buy-back Regulations;
10. make any alteration(s), modification(s), to the terms and conditions of the Buy-back Offer in accordance with the statutory requirements and as it may deem necessary;
11. delegate all or any of the powers, rights or authorities conferred above to any officer(s) / authorized representative(s) of the Company to give effect to the aforesaid resolution or to accept any change(s) or modification(s) as may be felt necessary or as may be suggested by the appropriate authorities or advisors;
12. settle any question or difficulty that may arise with regard to the aforesaid purpose and which it may deem fit in the interest of the Company and
13. do and perform all such acts, matters, deeds and things as it may in its absolute discretion deem necessary or desirable for the purpose of Buy-back as is in the best interest of the Company."

For J. B. Chemicals & Pharmaceuticals Limited


13/11/2019

M. C. Mehta

Company Secretary & Vice President – Compliance

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