



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

August 31, 2018

To, BSE Limited, Phiroze Jeebhoy Towers, Dalal Street, Mumbai 400 001. BSE Scrip Code: 506943 Security ID: JBCHEPHARM	To, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. NSE Symbol: JBCHEPHARM
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Dear Sir/Madam,

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

Sub: Filing of copy of Board Resolution pursuant to the regulations 5A of SEBI (Buy-Back of Securities) Regulation, 1998

This is to inform you that in compliance with Article 190 of Articles of Association of the Company, section 68 and section 69 of the Companies Act, 2013 and rules framed thereunder, to the extent applicable and SEBI (Buy-back of Securities) Regulations, 1998, the Board of Directors of the Company at their meeting held on August 31, 2018 has approved the Buy-back of up to 33,33,333 (Thirty Three Lakhs Thirty Three Thousand Three Hundred And Thirty Three) Equity Shares of face value of Rs. 2/- each at a price of Rs. 390/- per Equity Share aggregating to amount not exceeding Rs.130,00,00,000/- (Rupees One Hundred and Thirty Crores only), through Tender Offer Route. The Buy-back is 9.46% of Equity Share Capital and Free Reserves of Company based on audited standalone financial statements as on March 31, 2018.

Further, in compliance with Regulation 5A of SEBI (Buy-back of Securities) Regulations, 1998 certified true copy of Board Resolution is enclosed herewith for your record.

Thanking you,

Yours faithfully,

For **J. B. Chemicals & Pharmaceuticals Limited**

M.C. Mehta

Company Secretary & Vice President-Compliance

Encl.: As stated above.

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS AT ITS MEETING HELD ON 31-8-2018

“RESOLVED THAT pursuant to provisions of Article 190 of the Articles of Association of the Company and the provisions of Sections 68, 69 and all other applicable provisions of the Companies Act, 2013 (**“the Act”**) and applicable rules made there under and in compliance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended from time to time (**“Buy-back Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulation”**) and subject to such approvals, permissions and consents 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 consents, which may be agreed to by the Board of Directors of the Company, (herein referred to as the **“Board”**, which term shall include any committee which the Board may constitute to exercise its powers), consent of the Board of Directors be and is hereby accorded for buy-back of its fully paid-up equity shares of face value of Rs. 2/- each (**“Equity Share(s)”**) up to 33,33,333 Equity Shares (representing 3.99% of the total paid-up equity shares of the Company) at a price of Rs. 390/- (Rupees Three Hundred and Ninety only) (**“Buy-back Price”**) per Equity Share payable in cash for a total consideration not exceeding Rs. 130 crores (Rupees One Hundred Thirty Crores only), excluding transaction costs viz. fees, brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. (**“Transaction Costs”**) (hereinafter referred to as **“Buy-back Size”**), which is not exceeding 10% of the total paid-up equity share capital and free reserves (including securities premium account) as per the audited standalone financial statement of the Company for the financial year ended on March 31, 2018, through the **“Tender Offer”** route as prescribed under the Buy-back Regulations (the process is hereinafter referred 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 from time to time under the Listing Regulations and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

RESOLVED FURTHER THAT the Board of Directors hereby fixes Wednesday, September 12, 2018 as the Record Date for the purpose of determining the entitlement and the names of the Equity Shareholders who are eligible to participate in the 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 the number of Equity Shares entitled as per their shareholding 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.

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RESOLVED FURTHER THAT the buy-back from non-resident shareholders, Overseas Corporate Bodies (OCBs), 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 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 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, to the extent legally permissible, implement the Buy-back using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, as may be amended from time to time and the Company shall approach the **BSE Limited** for facilitating the same.

RESOLVED FURTHER THAT the Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations.

RESOLVED FURTHER THAT in terms of Regulation 19(3) of the Buy-back Regulations, Mr. Mayur Mehta, Company Secretary and Vice President-Compliance, be and is hereby appointed as the Compliance Officer for the proposed Buy-back and Link Intime India Private Ltd., Registrar to the Buy-back offer, is appointed as the Investor Service Centre.

RESOLVED FURTHER THAT the Board of Directors hereby confirms that –

- i. All the Equity Shares of the Company are fully paid-up;
- ii. The aggregate consideration for the Buy-back is not exceeding Rs. 130 crores (Rupees One Hundred and Thirty Crores only) 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 statement of the Company for the year ended on March 31, 2018 and the maximum number of Equity Shares proposed to be bought back under the Buy-back i.e. 33,33,333 Equity Shares does not exceed 25% of the total number of equity shares in the paid-up equity share capital of the Company;
- iii. The Company shall not issue any equity shares or other specified securities including by way of bonus till the date of closure of the Buy-back except in discharge of subsisting obligations such as stock option schemes, sweat equity, as may be permitted under the relevant regulations and applicable law;



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- iv. The Company shall not raise further capital for a period of one year from the closure of the Buy-back, except in discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;
- v. The Company shall not Buy-back any locked-in Equity Shares and non-transferable Equity Shares, if any, till the pendency of the lock-in or till the Equity Shares become transferable;
- vi. The Company shall not Buy-back its Equity Shares from any person through negotiated deal whether on or off the Stock Exchange(s) or through spot transactions or through any private arrangement;
- vii. The Company shall not directly or indirectly purchase its own Equity Shares through any subsidiary company including its own subsidiary companies or through any investment company or group of investment companies;
- viii. The Company has not undertaken a Buy-back of any of its securities during the period of one year immediately preceding the date of this Board meeting;
- ix. There is no default of the nature specified in Section 70(1)(c) of the Act;
- x. The ratio of the aggregate of secured and unsecured debts owned by the Company immediately after the Buy-back shall not exceed the ratio (2:1) as prescribed under Section 68 of the Act;
- xi. No scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act is pending as on the date of this meeting;
- xii. The Company will not withdraw the Buy-back after the Public Announcement of the Buy-back is made by the Company;
- xiii. The Company has been in compliance with Sections 92, 123, 127 and 129 of the Act.

RESOLVED FURTHER THAT nothing contained herein above shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board to buy-back any Equity Share, 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.

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RESOLVED FURTHER THAT Mr. Jyotindra B Mody (DIN: 00034851) - Chairman & Managing Director, Mr. Dinesh B. Mody (DIN: 00034992) - Whole time director (Administration), Mr. Shirish B. Mody (DIN: 00035051) - Whole time director (Marketing), Mr. Bharat P. Mehta (DIN: 00035444) - Whole time director (Planning & Development), Mr. Pranabh Mody (DIN: 00035505) - President & Whole time director (Operations) of the Company and Mr. Mayur Mehta, Company Secretary and Compliance Officer of the Company, be and are hereby jointly and/or severally authorized to finalise and make necessary changes as may be required and sign and issue the Public Announcement, Draft Letter of Offer, Letter of Offer and Post Buy-back Announcement and addendum/corrigendum thereto, all relevant forms, returns, documents, applications, consents, undertakings, declarations, confirmations 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 director 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 opinion that:

- a) Immediately following the date of this Board Meeting at which the Buy-back of the Company's Equity Shares is approved, there will be no grounds on which the Company could be found unable to pay its debts; and
- b) That as regards the Company's prospects for the year immediately following the date of this Board Meeting held to approve the Buy-back and having regard to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board Meeting; and
- c) In forming its opinion as aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Companies Act, 2013 (including prospective and contingent liabilities).

RESOLVED FURTHER THAT in terms of Section 68(6) of the Act read with Regulation 8(7) of the Buy-back Regulations, the drafts of the declaration of solvency prepared in the prescribed form and supporting affidavit, the statement of assets and liabilities in the prescribed form SH-9 as at March 31, 2018, as placed before the Board, be and are hereby approved and Mr. Jyotindra B Mody (DIN: 00034851) - Chairman & Managing Director, and any one of Mr. Dinesh B. Mody (DIN: 00034992) - Whole time director (Administration), Mr. Shirish B. Mody (DIN: 00035051) - Whole time director (Marketing), Mr. Bharat P. Mehta (DIN: 00035444) - Whole time director (Planning & Development) and Mr. Pranabh Mody (DIN:

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00035505) – President & Whole time director (Operations) of the Company be and are hereby authorized to sign the same for and on behalf of the Board, and Mr. Mayur Mehta, Company Secretary and Compliance Officer, be and is hereby authorised to file the same with the Registrar of Companies, Maharashtra, Mumbai, ("ROC") and the Securities Exchange Board of India or any such other concerned authorities, as may be necessary in accordance with applicable laws.

RESOLVED FURTHER THAT Mr. Jyotindra B Mody (DIN: 00034851) - Chairman & Managing Director, Mr. Dinesh B. Mody (DIN: 00034992) - Whole time director (Administration), Mr. Shirish B. Mody (DIN:00035051) - Whole time director (Marketing), Mr. Bharat P. Mehta (DIN: 00035444)- Whole time director (Planning & Development), Mr. Pranabh Mody (DIN: 00035505) – President & Whole time director (Operations) of the Company and Mr. Mayur Mehta, Company Secretary and Compliance Officer, be and are hereby jointly and/or severally authorized to:

1. appoint Buy-back broker, 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 also physical destruction of share certificates 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 guarantee 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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9. 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;
10. 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;
11. settle any question or difficulty that may arise with regard to the aforesaid purpose and which they may deem fit in the interest of the Company; and
12. do and perform all such acts, matters, deeds and things as they may in their absolute discretion deem necessary or desirable for the purpose of Buy-back in the best interest of the Company.”

For J. B. Chemicals & Pharmaceuticals Limited

M. C. Mehta

Company Secretary & Vice President – Compliance

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