



## Pidilite Industries Limited

CIN: L24100MH1969PLC014336

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### NOTICE OF POSTAL BALLOT AND E-VOTING

**NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013 (INCLUDING ANY STATUTORY MODIFICATION OR RE-ENACTMENT THEREOF FOR THE TIME BEING IN FORCE) AND REGULATION 44 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the “**Act**”), read together with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the “**Rules**”), including any statutory modification or re-enactment thereof for the time being in force and any other applicable provisions of the Act and the rules made thereunder, to consider and pass the resolution set out below as a Special Resolution for the proposed buyback by Pidilite Industries Limited (the “**Company**”) of its fully paid up equity shares each having a face value of Re.1/- (“**Equity Shares**”) proposed to be passed by way of Postal Ballot. An Explanatory Statement pertaining to the said resolution setting out the material facts and the reasons thereof is annexed to the Notice, along with a Postal Ballot form (the “**Postal Ballot Form**”) for your consideration.

The Board of Directors of the Company at its meeting held on 26<sup>th</sup> December, 2017 has, subject to approval of Members of the Company and approval of statutory, regulatory or governmental authorities, as may be required under applicable laws, approved the proposal to buyback equity shares of the Company on a proportionate basis through a tender offer route in accordance with the Act, the Rules and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (“**Buyback Regulations**”). The aggregate consideration for the aforesaid buyback shall be less than 25% of the aggregate paid up equity capital and free reserves of the Company as per the audited accounts of the Company as on 31<sup>st</sup> March, 2017.

In accordance with the provisions of Sections 68(2)(b), 69, 70 and 110 of the Act read with Rule 22(16)(g) of the Rules and other applicable provisions of the Act and the Rules made thereunder, and the Articles of Association of the Company, the Company is required to obtain approval of its Members by way of special resolution through postal ballot for the Buyback, since the Buyback is more than 10% of the total paid up equity capital and free reserves of the Company. The Buyback will comprise of purchase of up to 50,00,000 Equity Shares (aggregating up to 0.975 % of the paid-up equity share capital of the Company) at a price of Rs 1,000/- (Rupees One thousand only) per Equity Share, payable in cash, aggregating to an amount of upto Rs.500 Crores (Rupees Five Hundred Crores only). Accordingly, the Company seeks your approval for the proposed Buyback.

Pursuant to Rule 22(5) of the Rules, the Company has appointed Shri M M Sheth (FCS No. 1455 and CP No. 729), Practicing Company Secretary as the scrutinizer (the “**Scrutinizer**”) for conducting the Postal Ballot and voting by electronic means (“**e-voting**”) process in a fair and transparent manner.

You are requested to peruse the proposed Resolution alongwith the Explanatory Statement and read carefully the instructions forming part of this Notice and return the Postal Ballot Form duly filled and signed (at the places marked in the Form) alongwith Assent (FOR) or Dissent (AGAINST) for the said Resolution, in the attached self-addressed, business reply envelope, so as to reach the Scrutinizer before the closing of working hours (5.00 p.m IST) on Tuesday, 30<sup>th</sup> January, 2018. Please note that any Postal Ballot Form(s) received after the said date and time will be strictly treated as if no reply has been received.

Members having shares in demat form and in physical form may vote either by way of Postal Ballot or by way of e-voting. For this purpose, the Company has engaged the services of National Securities Depository Limited (NSDL). In case a Member has voted through e-voting facility, he/she is not required to send the physical Postal Ballot Form. In case a Member votes through e-voting facility as well as sends his/her vote through physical Postal Ballot Form, the vote cast through e-Voting shall only be considered and the voting through physical postal ballot shall not be considered by the Scrutinizer.

The e-voting facility is available at the link [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Please refer the instructions for e-voting given after the Proposed Resolution for the process and the manner in which e-voting is to be carried out.

The Scrutinizer will submit his report to the Chairman or any other person authorised by the Chairman after completion of the scrutiny of the postal ballots (including e-voting). The results of the Postal Ballot (including e-voting) would be announced by the Chairman or any other person authorised by the Chairman on or before 5.00 p.m, Wednesday, 31<sup>st</sup> January, 2018 at the

Registered Office of the Company. The said results would be displayed at the Registered Office of the Company, intimated to NSDL and the Stock Exchanges where the Company's shares are listed and displayed alongwith the Scrutinizer's Report on the Company's website viz. [www.pidilite.com](http://www.pidilite.com).

The resolution, if passed by the requisite majority, shall be deemed to have been passed on Tuesday, 30<sup>th</sup> January, 2018 i.e. the last date specified for receipt of duly completed Postal Ballot Forms or e-voting.

## **SPECIAL BUSINESS**

### **Approval for the Buyback of Equity Shares of the Company**

To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with Article 14 of the Articles of Association of the Company and the provisions of Sections 68, 69, 70 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 (the **“Act”**), the Companies (Share Capital and Debentures) Rules, 2014 (the **“Share Capital Rules”**), the Companies (Management and Administration) Rules, 2014 (the **“Rules”**), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (the **“Buyback Regulations”**), and subject to such other approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the Securities and Exchange Board of India (**“SEBI”**), Registrar of Companies, Mumbai (the **“ROC”**) and/ or other appropriate authorities which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression includes any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and subject to such conditions and modifications as may be prescribed or imposed by such government, regulatory or statutory authorities, the consent of the Members be and is hereby accorded for the Buyback by the Company of its fully paid-up equity shares of a face value of Re. 1/- each (**“Equity Share”**), from the equity shareholders of the Company, for an amount not exceeding Rs. 500 Crores (Rupees Five Hundred Crores only), excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and service tax, stamp duty, etc. (hereinafter referred to as the **“Buyback Offer Size”**), (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited balance sheet as on 31<sup>st</sup> March, 2017), at a price of Rs. 1000/- (Rupees One thousand only) per Equity Share on a proportionate basis through the **“Tender Offer”** route (hereinafter referred to as the **“Buyback”**), in accordance and consonance with the provisions contained in the Buyback Regulations and the Act read with the Rules.

**RESOLVED FURTHER THAT** the Company shall implement the Buyback from its free reserves and that the Buyback shall be through the Tender Offer route in such manner as may be prescribed under the Act and the Buyback Regulations and on such terms and conditions as the Board may deem fit.

**RESOLVED FURTHER THAT** the Buyback shall have reservation for small shareholders in accordance with the provisions of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Company shall implement the Buyback using the **“Mechanism for acquisition of shares through Stock Exchange”** notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated 13<sup>th</sup> April, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated 9<sup>th</sup> December, 2016, including any amendments thereof.

**RESOLVED FURTHER THAT** the Buyback from non-resident Members, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors, Foreign Portfolio Investors and Members 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 (**“RBI”**) under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** nothing contained hereinabove shall confer any right on the part of any Member to offer, or any obligation on the part of the Company or the Board to buyback any shares and/or impair any power of the Company or the Board to terminate any process in relation to such Buyback, if so permissible by law.

**RESOLVED FURTHER THAT** the Company shall earmark adequate sources of funds for the purpose of the Buyback.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to give effect to the aforesaid resolutions and may delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Director(s) / Officer(s) / Authorised Representative(s) / Committee (**“Buyback Committee”**) of the Company, including but not limited to finalizing the terms of the Buyback like record date, entitlement ratio, the timeframe for completion of Buyback; appointment of intermediaries / agencies, as may be required, for the implementation of the Buyback; preparation, signing and filing of the Public Announcement, the Draft Letter of Offer / Letter of Offer with the SEBI, the stock exchanges and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the SEBI, RBI under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder; and to initiate all necessary actions for preparation and issue of various documents including letter of offer, opening, operation and closure of necessary accounts including escrow account with the bank, entering into agreements, release of public announcement, filing of declaration of solvency, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of dematerialized shares and physical destruction of share certificates in respect of the equity shares bought back by the Company, and such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with the SEBI, RBI, Stock Exchanges, ROC, Depositories and / or other regulators and statutory authorities as may be required from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the Members for the implementation of the Buyback, including but not limited to carrying out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, extinguishment of share certificates and 'Certificate of Extinguishment' required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the SEBI, RBI, BSE Limited, National Stock Exchange of India Limited, ROC, Depositories and/or other authorities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

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Website: [www.pidilite.com](http://www.pidilite.com)  
CIN: L24100MH1969PLC014336  
Mumbai, 26<sup>th</sup> December, 2017

By Order of the Board  
For Pidilite Industries Limited

Savithri Parekh  
Sr. Vice President – Legal and Secretarial

**Notes:**

1. The Explanatory Statement for the proposed special resolution pursuant to Section 102 read with Section 110 of the Act setting out material facts pertaining to the resolution is annexed hereto along with the Postal Ballot Form for your consideration. It also contains all the disclosures as specified in Schedule II Part A of SEBI (Buy Back of Securities) Regulations, 1998.
2. The Postal Ballot Notice is being sent to all the Members, whose names appear on the Register of Members/List of Beneficial Owners on Tuesday, 26<sup>th</sup> December, 2017, as received from the depositories. The Postal Ballot Notice is being sent to Members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice along with Postal Ballot Form are being sent by permitted mode along with a postage prepaid reply envelope addressed to the Scrutinizer.
3. In compliance with the provisions of Section 108 and 110 of the Act read with the Rules and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering e-voting facility to all the Members of the Company to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility to its Members. The instructions for e-voting are annexed to this Postal Ballot Notice.
4. The voting rights of the Members shall be in proportion to their holding of Equity Shares with the paid up equity share capital of the Company as on 26<sup>th</sup> December, 2017. A person who is not a shareholder on the relevant date (i.e. 26<sup>th</sup> December, 2017) should treat this notice for information purpose only.
5. Resolutions passed by the shareholders through Postal Ballot are deemed to have been passed as if they have been passed at a General Meeting of the shareholders.
6. In case a shareholder is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to [investor.relations@pidilite.co.in](mailto:investor.relations@pidilite.co.in). The Registrar and Transfer Agent/Company shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the shareholder.
7. Facility to exercise vote by Postal Ballot including voting through electronic means will be available during the following period:  
Commencement of voting: From 9.00 a.m. (IST) on Monday, 1<sup>st</sup> January, 2018  
End of voting: At 5.00 p.m. (IST) on Tuesday, 30<sup>th</sup> January, 2018 (both days inclusive)  
(The facility for voting through electronic means will be disabled for voting by NSDL upon expiry of the aforesaid voting period)
8. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decisions on the validity of Postal Ballot Form shall be final and binding.

9. Votes will be considered invalid, *inter alia*, on the following grounds:
- if the Member's signature does not tally
  - if the Member has marked all his shares both in favour and also against the resolution
  - if neither the assent nor dissent is mentioned
  - if the Postal Ballot Form is unsigned or has not been signed by or on behalf of the Member
  - the Postal Ballot Form not being accompanied by a certified copy of the relevant specific authority, if the Postal Ballot Form is signed in a representative capacity
  - if the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the Member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or on one or more of the above grounds
  - if the information filled in the Postal Ballot Form is incomplete
  - if any other form is used
  - any direction given by competent authority in writing to the Company to freeze the voting rights of the Member
  - if the Member has made any amendment to the resolution or imposed any condition while exercising his vote
  - if the envelope containing the Postal Ballot Form is received after the last date prescribed.
10. A Member cannot exercise his vote by proxy on Postal Ballot.

**Instructions and other information relating to e-voting:**

**A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participant(s)]:**

- (i) Open email and open attached PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (ii) Open the internet browser by typing the URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder - Login
- (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.  
NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).  
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).  
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- (v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- (vi) Password change menu will appear on your screen. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) Once the e-voting home page opens, click on e-Voting> Active Voting Cycles.
- (viii) Select "EVEN" (E-Voting Event Number) of Pidilite Industries Limited. Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy(PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email to [shethmm\\_cs@yahoo.co.in](mailto:shethmm_cs@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**B. For the members whose email IDs are not registered with the Company/Depository Participant(s):**

- (i) Initial password alongwith physical copy of the Postal Ballot Notice is being sent separately in the permitted mode
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads Section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free number 1800-222-990.

D. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND 110 OF THE COMPANIES ACT, 2013**

The Board at its meeting held on 26<sup>th</sup> December, 2017 has approved the proposal for recommending buyback of Equity Shares as contained in the resolution in the Notice.

Since the Buyback is more than 10% of the total paid up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the members of the Company, for the Buyback, by way of a special resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the Members of the Company is required for the Buyback to be obtained by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution.

As per the relevant provisions of the Act and the Buyback Regulations, the Explanatory Statement contains relevant and material information to enable the Members holding equity shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's equity shares. Requisite details relating to the Buyback are given below:

### **a) Objective of the Buyback**

The Buyback is proposed to enable the Company to reduce its treasury assets by putting an equivalent amount of liquid resources in the hands of those shareholders who respond to the offer for Buyback. The Buyback gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback offer or they may choose not to participate.

### **b) Method to be adopted for the Buyback**

The Buyback shall be on a proportionate basis (subject to the reservation for small shareholders), from all the Members holding equity shares of the Company through the "Tender Offer" route, as prescribed under the Buyback Regulations and the mechanism notified under the SEBI circular CIR/CFD/POLICYCELL/1/2015 dated 13<sup>th</sup> April, 2015 as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated 9<sup>th</sup> December, 2016, including any amendments thereof. The Buyback will be implemented in accordance with the Act and the Rules to the extent applicable and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date (the "**Record Date**") for determining the names of the Members holding equity shares of the Company who will be eligible to participate in the Buyback.

In due course, upon the passing of this resolution, each Member as on the Record Date, will receive a Letter of Offer along with an intimation indicating the entitlement of the Member for participating in the Buyback.

The equity shares to be bought back as a part of the buyback is divided in two categories:

- (a) Reserved category for small shareholders; and
- (b) General category for all other shareholders.

As defined in the Buyback Regulations, a "small shareholder" is a shareholder who holds equity shares having market value, on the basis of closing price on the recognized stock exchange in which highest trading volume in respect of Equity Shares as on Record Date, of not more than Rs. 2,00,000/- (Rupees Two Lakhs Only). In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of equity shares which the Company proposes to Buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buyback. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder".

On the basis of the holding on the Record Date, the Company will determine the entitlement of each Member to tender their shares in the Buyback. This entitlement for each Member will be calculated based on the number of equity shares held by the respective Member as on the Record Date and the ratio of Buyback applicable in the category to which such Member belongs.

Members holding equity shares of the Company may also accept a part of their entitlement. Members holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall, if any, created due to non-participation of some other Members. The maximum tender under the Buyback by any Member cannot exceed the number of equity shares held by the Member as on the Record Date.

The equity shares tendered as per the entitlement by Members holding equity shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in the Buyback Regulations. The settlement of the tenders under the Buyback is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated 13<sup>th</sup> April, 2015 as amended via circular no. CFD/DCR2/CIR/P/2016/131 dated 9<sup>th</sup> December, 2016, including any amendments thereof.

Detailed instructions for participation in the Buyback (tender of equity shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Members holding equity shares of the Company as on the Record Date.

### **c) Maximum amount required under the Buyback and the sources of funds from which the Buyback would be financed**

The Maximum amount required for Buyback will not exceed Rs. 500 Crores (Rupees Five Hundred Crores only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, Goods & Services Tax, stamp duty, filing fees etc., which is 15.07% of the aggregate of the fully paid-up share capital and free reserves of the Company as on 31<sup>st</sup> March, 2017.

The funds for the implementation of the proposed Buyback will be from the free reserves of the Company .

The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement.

The Company will fund the Buyback from the retained earnings and no funds will be borrowed from Banks and Financial Institutions for the Buyback.

**d) Buyback Price and the basis of arriving at the Buyback Price**

The Equity Shares of the Company are proposed to be bought back at a price of Rs. 1,000/- (Rupees One Thousand only) per equity share (the “**Buyback Price**”). The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average market prices of the Equity Shares on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) where the Equity Shares are listed, the networth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Share.

The Offer Price represents:

- i) Premium of 20.8% and 21.4% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, during the three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.
- ii) Premium of 15.4% and 14.1% over the volume weighted average market price of the Equity Shares on BSE and NSE, respectively, for two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.

The Company confirms that as required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will be not more than twice the paid-up share capital and free reserves as on 31<sup>st</sup> March, 2017 after the Buyback.

The earning per share of the Company on pre-Buyback as on 31<sup>st</sup> March, 2017 was Rs. 15.09 which would work out to Rs. 15.24 on a reduced share capital post Buyback assuming full acceptance of the Buyback.

The return on net-worth of the Company on pre Buyback as on 31<sup>st</sup> March, 2017 was 22.76% which would work out to 26.69% on a reduced share capital post Buyback assuming full acceptance of the Buyback.

**e) Number of shares that the Company proposes to buyback and the time limit for completing the Buyback**

The Company proposes to buyback upto 50,00,000 (Fifty Lakhs only) Equity Shares of face value of Re. 1/- each of the Company. The Buyback is proposed to be completed within 12 months from the date of Special Resolution approving the proposed Buyback.

**f) Compliance with Section 68(2)(c) of the Act**

The aggregate paid-up share capital and free reserves as at 31<sup>st</sup> March, 2017 (the audited standalone financial statements available as on the date of the Board Meeting recommending the proposal of the Buyback) is Rs.3,318.76 crores. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. Rs. 829.69 crores. The maximum amount proposed to be utilized for the Buyback, is Rs.500 Crores (Rupees Five Hundred crores only) and is therefore within the limit of 25% of the Company’s total paid-up share capital and free reserves as per the audited standalone Balance Sheet as at 31<sup>st</sup> March, 2017. Further, under the Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 12,81,70,682 Equity Shares. Since the Company proposes to buyback up to 50,00,000 Equity Shares, the same is within the aforesaid 25% limit.

g) The aggregate shareholding of the Promoter and Promoter Group, persons who are in control of the Company, the directors of companies which are part of the Promoter and Promoter Group and directors and key managerial personnel of the Company as on the date of this Notice are as follows:

1. The aggregate shareholding of the Promoter and Promoter Group and persons who are in control of the Company:

Sr. No.	Name of Shareholder	No. of Shares held	Percentage(%)
1	Madhukar Balvantray Parekh	53,327,568	10.40%
2	Narendrakumar Kalyanji Parekh	54,732,178	10.67%
3	Ajay Balvantray Parekh	47,922,844	9.35%
4	Sushil Kumar Kalyanji Parekh	42,233,636	8.24%
5	Mala Madhukar Parekh	9,701,598	1.89%
6	Bharati Narendrakumar Parekh	5,821,086	1.14%
7	Kalpana Apurva Parekh	6,664,334	1.30%
8	Darshana Bimal Mody	5,790,000	1.13%

Sr. No.	Name of Shareholder	No. of Shares held	Percentage(%)
9	Ami Ajay Parekh	5,608,166	1.09%
10	Himatlal Kalyanji Parekh	4,861,630	0.95%
11	Jasna Raoul Thackersey	3,615,126	0.70%
12	Apurva Narendrakumar Parekh	3,102,910	0.61%
13	Kanta Balvantray Parekh	3,385,410	0.66%
14	Mrudula Sushilkumar Parekh	1,564,120	0.31%
15	Rashmikant Himatlal Parekh	2,332,378	0.45%
16	Harish Himatlal Parekh	2,076,592	0.40%
17	Amrita Ajay Parekh	1,968,000	0.38%
18	Parul Harish Parekh	1,214,208	0.24%
19	Kamalini Rashmikant Parekh	821,934	0.16%
20	Purvee Apurva Parekh	800,000	0.16%
21	Gulabben Himatlal Parekh	261,716	0.05%
22	Anuja Ankur Shah	187,600	0.04%
23	Malay Rashmikant Parekh	161,600	0.03%
24	Pareet D Sanghavi	95,600	0.02%
25	Jimeet D Sanghavi	91,900	0.02%
26	Panna Deepak Sanghavi	80,166	0.02%
27	Harshada Harvadan Vakil	51,900	0.01%
28	Harvadan	42,300	0.01%
29	Urvi Malay Parekh	40,000	0.01%
30	Devkalyan Sales Private Ltd	26,224,280	5.11%
31	Ishijas Chemicals Private Limited	24,730,038	4.82%
32	Harton Private Limited	12,357,634	2.41%
33	The Vacuum Forming Company Pvt Ltd	11,462,186	2.24%
34	Pidichem Pvt Ltd	8,363,916	1.63%
35	Kalva Marketing And Services Ltd	1,382,628	0.27%
36	Parkem Dyes & Chemicals Pvt Ltd	1,436,510	0.28%
37	Parekh Marketing Limited	796,700	0.16%
38	Trivenikalyan Trading Pvt Ltd	463,040	0.09%
39	Prakash Shah Trustee of SANMP Private Beneficiary Trust	8,200,000	1.60%
40	Prakash Dharshibhai Shah Trustee of I M Family Trust	2,900,000	0.57%
	<b>Total</b>	<b>356,873,432</b>	<b>69.59%</b>

2. The aggregate shareholding of the directors of companies, which are part of the Promoter and Promoter Group:

Sr. No.	Name of the director of promoter group companies	No. of Shares held	Percentage (%)
1	Narendrakumar Kalyanji Parekh	54,732,178	10.67%
2	Ajay Balvantray Parekh	47,922,844	9.35%
3	Ami Ajay Parekh	5,608,166	1.09%
4	Kalpana Apurva Parekh	6,664,334	1.30%
5	Madhukar Balvantray Parekh	53,327,568	10.40%
6	Mala Madhukar Parekh	9,701,598	1.89%
7	Jasna Raoul Thackersey	3,615,126	0.70%
8	Ishita Rajiv Amersey	0	0.00%
9	Bharati Narendrakumar Parekh	5,821,086	1.14%
10	Apurva Narendrakumar Parekh	3,102,910	0.61%

Sr. No.	Name of the director of promoter group companies	No. of Shares held	Percentage (%)
11	Himatlal Kalyanji Parekh	4,861,630	0.95%
12	Sushil Kumar Kalyanji Parekh	42,233,636	8.24%
13	Kanta Balvantray Parekh	3,385,410	0.66%
14	Mukund P. Mody	44,252	0.00%
15	Bharat O. Mehta	1,02,766	0.02%
16	Rashmikant Himatlal Parekh	2,332,378	0.45%
17	Mrudula Sushilkumar Parekh	1,564,120	0.31%
18	Sanket Sushilkumar Parekh	0	0.00%
	<b>Total</b>	<b>244,917,236.00</b>	<b>47.78%</b>

3. Details of shareholding the Directors and Key Managerial Personnel of the Company :

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	No. of Shares held	Percentage (%)
1.	Shri M. B. Parekh	Executive Chairman	53,327,568	10.40
2.	Shri Bharat Puri	Managing Director	100,000	0.02
3.	Shri N. K. Parekh	Vice Chairman	54,732,178	10.67
4.	Shri A.B. Parekh	Whole Time Director	47,922,844	9.35
5.	Shri A.N. Parekh	Whole Time Director	3,102,910	0.61
6.	Shri Sabyaschi Patnaik	Director	1,800	0
7.	Shri B. S. Mehta	Director	24,716	0
8.	Shri Uday Khanna	Director	5,000	0
9.	Shri Ranjan Kapur	Director	0	0
10.	Shri Sanjeev Aga	Director	798	0
11.	Shri Meera Shankar	Director	0	0
12.	Shri Vinod Dasari	Director	0	0
13.	Smt. Savithri Parekh	Company Secretary	0	0
14.	Shri. P. Ganesh	Chief Financial Officer	50	0

Mr. Bharat Puri is a partner of two Limited Liability partnership firms which in aggregate hold 200,000 Equity Shares in the Company.

4. No Equity Shares of the Company have been purchased/sold by any of the Promoter, and Promoter Group, directors of the Promoter and Promoter Group companies, Directors and Key Managerial Personnel of the Company during the period from six months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of this Notice, except for the following transactions

Name	Date of Transfer	No. of Shares Purchased	Details of Transfer	Maximum Price (Rs.)*	Date of Maximum Price	Minimum Price (Rs.)*	Date of Minimum Price	Average Price (Rs.)*
Himatlal Kalyanji Parekh	8-12-2017	50,000	Inter-se transfer amongst the promoter group through Stock market	858.60	8-12-2017	857.65	8-12-2017	858.12
Ishijas Chemicals Pvt.Ltd.	28-6-2017	1,00,000	Market Purchase	807.40	28-6-2017	807.40	28-6-2017	807.40
Pidichem Pvt Ltd	8-12-2017	1,25,000	Inter-se transfer amongst the promoter group through Stock market	856.00	8-12-2017	856.00	8-12-2017	856.00
Narendrakumar Kalyanji Parekh	2-9-2017	30,00,000	Gift Received	Nil	2-9-2017	Nil	2-9-2017	Nil
Parkem Dyes & Chemicals Pvt Ltd	8-12-2017	1,60,000	Inter-se transfer amongst the promoter group through Stock market	855.00	8-12-2017	855.00	8-12-2017	855.00
Sabyaschi Patnaik	31-08-2017	1,600	ESOPs	1.00	31-08-2017	1.00	31-08-2017	1.00
Sanjeev Aga	19-09-2017	91	Purchase under PMS	839.70	19-09-2017	839.70	19-09-2017	839.70
Bharat Puri	28-09-2017	1,00,000	ESOPs	1.00	28-09-2017	1.00	28-09-2017	1.00
Bharat O. Mehta	31-08-2017	900	ESOPs	1.00	31-08-2017	1.00	31-08-2017	1.00



Name	Date of Transfer	No. of Shares Sold	Details of Transfer	Maximum Price (Rs.)*	Date of Maximum Price	Minimum Price (Rs.)*	Date of Minimum Price	Average Price (Rs.)*
Rashmikant Himatlal Parekh	8-12-2017	25,000	Inter-se transfer amongst the promoter group through Stock market	858.60	8-12-2017	858.60	8-12-2017	858.60
Parul Harish Parekh	8-12-2017	25,000	Inter-se transfer amongst the promoter group through Stock market	857.65	8-12-2017	857.65	8-12-2017	857.65
Sushil Kumar Kalyanji Parekh	8-12-2017	1,25,000	Inter-se transfer amongst the promoter group through Stock market	856.00	8-12-2017	856.00	8-12-2017	856.00
Bijal Viral Thakker	2-9-2017	30,00,000	Gift Given	Nil	2-9-2017	Nil	2-9-2017	Nil
Apurva Narendrakumar Parekh	8-12-2017	1,60,000	Inter-se transfer amongst the promoter group through Stock market	855.00	8-12-2017	855.00	8-12-2017	855.00

\*Excluding Brokerage and other transaction costs

5. In terms of the Buyback Regulations, under the Tender Offer route, the Promoter and Promoter Group of the Company have the option to participate in the Buyback. In this regard, the Promoters and Promoter Group of the Company have expressed their intention vide their letters, dated 26<sup>th</sup> December, 2017, to participate in the Buyback and offer up to an aggregate maximum of 3,56,61,162 Equity Shares as detailed below or any such lower number of shares in accordance with the Buyback Regulations.

S. No.	Name	No. of Equity Shares Held	Maximum number of shares intended to tender
1	Madhukar Balvantray Parekh	5,33,27,568	53,32,756
2	Mala Madhukar Parekh	97,01,598	9,70,159
3	Jasna Raoul Thackersey	36,15,126	3,61,512
4	Devkalyan Sales Private Ltd	2,62,24,280	26,22,428
5	Harton Private Limited	1,23,57,634	12,35,763
6	Trivenikalyan Trading Pvt Ltd	4,63,040	46,304
7	Ajay Balvantray Parekh	4,79,22,844	47,92,284
8	Ami Ajay Parekh	56,08,166	5,60,816
9	Amrita Ajay Parekh	19,68,000	1,96,800
10	The Vacuum Forming Company Pvt Ltd	1,14,62,186	11,46,218
11	Darshana Bimal Mody	57,90,000	5,79,000
12	Himatlal Kalyanji Parekh	48,61,630	4,86,163
13	Rashmikant Himatlal Parekh	23,32,378	2,33,238
14	Harish Himatlal Parekh	20,76,592	2,07,659
14	Parul Harish Parekh	12,14,208	1,21,421
16	Kamalini Rashmikant Parekh	8,21,934	82,193
17	Gulabben Himatlal Parekh	2,61,716	Nil
18	Malay Rashmikant Parekh	1,61,600	16,160
19	Anuja Ankur Shah	1,87,600	18,760
20	Panna Deepak Sanghavi	80,166	8,016
21	Pareet D Sanghavi	95,600	9,560
22	Jimeet D Sanghavi	91,900	9,190
23	Harshada Harvadan Vakil	51,900	5,190
24	Harvadan	42,300	4,230
25	Urvi Malay Parekh	40,000	4,000

S. No.	Name	No. of Equity Shares Held	Maximum number of shares intended to tender
26	Kalpana Apurva Parekh	66,64,334	6,66,433
27	Kanta Balvantray Parekh	33,85,410	3,38,541
28	Ishijas Chemicals Pvt. Ltd.	2,47,30,038	24,73,003
29	Prakash Shah Trustee of SANMP Private Beneficiary Trust	82,00,000	8,20,000
30	Prakash Dharshibhai Shah Trustee of I M Family Trust	29,00,000	2,90,000
31	Parekh Marketing Ltd.	7,96,700	79,670
32	Kalva Marketing & Services Ltd.	13,82,628	1,38,262
33	Sushilkumar Kalyanji Parekh	4,22,33,636	42,23,363
34	Mrudula Sushilkumar Parekh	15,64,120	1,56,412
35	Pidichem Pvt Ltd	83,63,916	8,36,391
36	Narendrakumar Kalyanji Parekh	5,47,32,178	54,73,217
37	Bharati Narendrakumar Parekh	58,21,086	5,82,108
38	Apurva Narendrakumar Parekh	31,02,910	3,10,291
39	Purvee Apurva Parekh	8,00,000	80,000
40	Parkem Dyes & Chemicals Pvt Ltd	14,36,510	1,43,651
	<b>Total</b>	<b>356,873,432</b>	<b>35,661,162</b>

6. Details of the date and price of acquisition of the Equity Shares that promoters and promoter group entities intend to tender are set-out below:

**Madhukar Balvantray Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	53,32,756	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					53,32,756

**Narendrakumar Kalyanji Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	54,73,217	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					54,73,217

**Ajay Balvantray Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	47,92,284	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					47,92,284

**Sushil Kumar Kalyanji Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	42,23,363	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					42,23,363

**Mrudula Sushilkumar Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	1,56,412	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					1,56,412

**Mala Madhukar Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	9,70,159	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					9,70,159

**Bharati Narendrakumar Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	5,82,108	1/-	nil	nil	<b>Bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					5,82,108

**Kalpna Apurva Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
14-6-2013	6,66,433	1/-	Nil	Nil	Transmission
<b>Maximum number of Equity Shares intended to be tendered</b>					6,66,433

**Darshana Bimal Mody**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	5,79,000	1/-	nil	nil	Bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					5,79,000

**Ami Ajay Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	5,60,816	1/-	nil	nil	Bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					5,60,816

**Himatlal Kalyanji Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	4,86,163	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					4,86,163

**Jasna Raoul Thackersey**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	3,61,512	1/-	nil	nil	<b>Bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					3,61,512

**Apurva Narendrakumar Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	3,10,291	1/-	nil	nil	<b>Bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					3,10,291

**Kanta Balvantray Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	3,38,541	1/-	Nil	Nil	Bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					3,38,541

**Rashmikant Himatlal Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	2,33,238	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					2,33,238

**Harish Himatlal Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	2,07,659	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					2,07,659

**Amrita Ajay Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	1,96,800	1/-	nil	nil	Bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					1,96,800

**Parul Harish Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	1,21,421	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					1,21,421

**Kamalini Rashmikant Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	82,193	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					82,193

**Purvee Apurva Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	80,000	1/-	nil	nil	<b>Bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					80,000

**Anuja Ankur Shah**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	18,760	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					18,760

**Malay Rashmikant Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	16,160	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					16,160

**Pareet D Sanghavi**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	9,560	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					9,560

**Jimeet D Sanghavi**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	9,190	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					9,190

**Panna Deepak Sanghavi**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	8,016	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					8,016

**Harshada Harvadan Vakil**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	5,190	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					5,190

**Harvadan**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	4,230	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					4,230

**Urvi Malay Parekh**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	4,000	1/-	Nil	Nil	Bonus
<b>Maximum Number of Equity Shares intended to be tendered</b>					4,000

**Devkalyan Sales Private Ltd**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	26,22,428	1/-	nil	nil	<b>Bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					26,22,428

**Ishijas Chemicals Private Limited**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	24,73,003	1/-	Nil	Nil	Bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					24,73,003

**Harton Private Limited**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	12,35,763	1/-	nil	nil	<b>bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					12,35,763

**The Vacuum Forming Company Pvt Ltd**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	11,46,218	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					11,46,218

**Pidichem Pvt Ltd**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	8,36,391	1/-	nil	nil	bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					8,36,391

**Kalva Marketing And Services Ltd**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	1,38,262	1/-	Nil	Nil	Bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					1,38,262

**Parkem Dyes & Chemicals Pvt Ltd**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	1,43,651	1/-	nil	nil	<b>bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					1,43,651

**Parekh Marketing Limited**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	79,670	1/-	Nil	Nil	Bonus
<b>Maximum number of Equity Shares intended to be tendered</b>					79,670

**Trivenikalyan Trading Pvt Ltd**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
18-3-2010	46,304	1/-	nil	nil	<b>bonus</b>
<b>Maximum number of Equity Shares intended to be tendered</b>					46,304

**Prakash Shah Trustee of SANMP Private Beneficiary Trust**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
28-6-2016	8,20,000	1/-	nil	nil	Gift Received
<b>Maximum number of Equity Shares intended to be tendered</b>					8,20,000

**Prakash Dharshibhai Shah Trustee of I M Family Trust**

Date	Number of Shares	Nominal Value (Rs.)	Issue Price / Transfer Price (Rs.)	Consideration	Nature of Transaction
30-3-2017	2,90,000	1/-	nil	nil	Gift Received
<b>Maximum number of Equity Shares intended to be tendered</b>					2,90,000

**h) Confirmations from the Board**

The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- i. That immediately following the date of the Board Meeting held on 26<sup>th</sup> December, 2017 and the date on which the results of the shareholders' resolution with regard to the proposed Buyback are declared (the "**Postal Ballot Resolution**"), there will be no grounds on which the Company can be found unable to pay its debts;
- ii. That as regards the Company's prospects for the year immediately following the date of the Board meeting held on 26<sup>th</sup> December, 2017 as well as the year immediately following the date on which the results of the shareholders' resolution with regard to the proposed Buyback are declared, approving the Buyback and having regards 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 the Board meeting approving the Buyback or within a period of one year from the date on which the results of the shareholders' resolution with regard to the proposed Buyback are declared, as the case may be;
- iii. In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Act, and the Insolvency and Bankruptcy Code, 2016 (to the extent notified and in force).

- i) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the report dated December 26, 2017 of Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board is reproduced below:

To,

**The Board of Directors**  
**Pidilite Industries Limited**  
 Regent Chambers, 7th Floor,  
 Jamnalal Bajaj Marg,  
 208, Nariman Point,  
 Mumbai - 400021.

Dear Sirs /Madam,

**Subject: Statutory Auditor's Report in respect of proposed buyback of equity shares by Pidilite Industries Limited ('the Company') in terms of clause (xi) of Part A of Schedule II of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (as amended) ("Buyback Regulations").**

1. This Report is issued in accordance with the terms of our engagement letter dated December 22, 2017.
2. The Board of Directors of the Company have approved a proposal for buy-back of Equity Shares by the Company at its meeting held on December 26, 2017 in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("the Act") and the Buyback Regulations.
3. We have been requested by the Management of the Company to provide a report on the accompanying Statement of permissible capital payment (including premium) ("Annexure A") as at March 31, 2017 (hereinafter referred together as the "Statement") This Statement has been prepared by the Management of the Company, which we have initialed for identification purposes only.

**Management's Responsibility for the Statement**

4. The preparation of the Statement in accordance with Section 68(2)(c) of the Companies Act, 2013 and the compliance with the Buyback Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant

supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

### **Auditors Responsibility**

5. Pursuant to the requirements of the SEBI Buyback Regulations, it is our responsibility to provide a reasonable assurance:
  - i. whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements as at and for the year ended March 31, 2017.
  - ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone financial statements as at March 31, 2017 in accordance with Section 68(2) of the Companies Act, 2013; and
  - iii. if the Board of Directors of the Company, in their meeting held on December 26, 2017 have formed the opinion as specified in Clause (x) of Part A of Schedule II to the Buy-Back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from that date and from the date on which the results of the shareholders' resolution with regards to the proposed buyback are declared.
6. The standalone financial statements referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our report dated May 18, 2017. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("the ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance note on Audit Reports and Certificates for Special Purposes issued by the ICAI ("Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

### **Opinion**

9. Based on enquiries conducted and our examination as above, we report that:
  - i) We have enquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the year ended March 31, 2017 which has been approved by the Board of Directors of the Company on May 18, 2017.
  - ii) The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the Statement attached herewith, is properly determined in our view in accordance with Section 68 (2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company as at and for the year ended March 31, 2017.
  - iii) The Board of Directors of the Company, in their meeting held on December 26, 2017 have formed their opinion as specified in clause (x) of Part A of Schedule II to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution dated December 26, 2017, and from the date on which the results of the shareholders' resolution with regards to the proposed buyback are declared.

### **Restriction on Use**

This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buyback Regulations, (ii) to enable the Board of Directors of the Company to include in the explanatory statement to the notice for special resolution, public announcement, draft letter of offer, letter of offer and other documents pertaining to buy-back to be sent to the shareholders of the Company or filed with (a) the Registrar of Companies, Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited, National Securities Depository Limited and (iii) for providing to the Managers, each for the purpose of extinguishment of equity shares and may not be suitable for any other purpose.

For Deloitte Haskins & Sells  
Chartered Accountants  
(Firm Registration No. 117364W)

B. P. Shroff  
Partner  
(Membership No. 034382)

Place: Mumbai  
Date: December 26, 2017

## Annexure A - Statement of permissible capital payment

### Pidilite Industries Limited

Computation of amount of permissible capital payment towards buy back of equity shares in accordance with section 68(2) (c) of the Companies Act, 2013 ("the Act") based on audited standalone financial statements as at and for the year ended March 31, 2017:

Particulars	Amount (Rs. in Crores)
<b>Paid-up Equity Share Capital as at March 31, 2017 (A)</b>	<b>51.27</b>
Free Reserves as at March 31, 2017	
– Retained earnings*	1436.43
– General Reserve	1764.70
– Share Premium Account	66.36
<b>Total Free Reserves (B)</b>	<b>3267.49</b>
<b>Total (A + B)</b>	<b>3318.76</b>
Maximum amount permissible for buyback under Section 68 of the Companies Act, 2013 i.e. 25% of total paid-up equity capital and free reserves	829.69

\* Net off re-measurement profits on fair valuation of assets Rs. 68.29 Crores.

#### j) **General obligations of the Company as per the provisions of the Buy-back Regulations and the Act:**

- i. The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- ii. The Company shall not raise further capital for a period of one year from the closure of Buyback offer except in discharge of its subsisting obligations;
- iii. The special resolution approving the Buyback will be valid maximum for a period of one year from the date of passing of the said special resolution (or such extended period as may be permitted under the Act or the Buy-back Regulations or by the appropriate authorities). The exact time table for the Buyback shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- iv. The equity shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- v. The Company shall not withdraw the Buyback after the public announcement of the offer to Buyback is made or the draft letter of offer is filed with SEBI;
- vi. The Company shall not buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable; and
- vii. The Company confirms that there are no defaults subsisting in the repayment of deposit or interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- viii. For any queries, clarifications or grievances related to the postal ballot process, electronic voting process or Buyback process, Members holding equity shares of the Company may contact the following:  
Smt. Savithri Parekh, Sr. Vice President – Legal & Secretarial  
Tel: +91-22-28357000; Fax: +91-22-28216007  
Email: investor.relations@pidilite.co.in

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Report dated December 26, 2017 and the audited accounts for the period from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017 are available for inspection by the Members of the Company at its Registered Office on any working day between 10:00 a.m. and 4:00 p.m. up to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding Equity Shares of the Company. The Directors, therefore, recommend passing of the Special Resolution as set out in the accompanying Notice.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except, as stated above and to the extent of their shareholding in the Company.

Registered Office:  
Regent Chambers, 7th Floor, Jamnalal Bajaj Marg,  
208, Nariman Point, Mumbai - 400021, Maharashtra  
Tel.: +91-22-28357000 Fax: + 91-22-28216007  
E-mail: investor.relations@pidilite.co.in;  
Website: [www.pidilite.com](http://www.pidilite.com)  
CIN: L24100MH1969PLC014336  
Mumbai, 26<sup>th</sup> December, 2017

By Order of the Board  
For Pidilite Industries Limited

Savithri Parekh  
Sr. Vice President – Legal & Secretarial