

December 24, 2020

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001, India.

National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051, India.

Dear Sirs,

Subject: Public announcement dated December 24, 2020 (the “Public Announcement”) in relation to an open offer to the Public Shareholders (as defined in the Public Announcement) of Fairchem Organics Limited (the “Target Company”) (“Open Offer”/ “Offer”).

FIH Mauritius Investments Ltd (“**Acquirer**”) along with FIH Private Investments Ltd (“**PAC 1**”), Nahoosh Jariwala (“**PAC 2**”), Utkarsh Shah (“**PAC 3**”) Jariwala Tradelink LLP (“**PAC 4**”) and Nahoosh Tradelink LLP (“**PAC 5**”) (hereinafter PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 are collectively referred to as the “**PACs**”), in their capacity as the persons acting in concert with the Acquirers, have announced an open offer for acquisition of up to 33,77,953 fully paid-up equity shares of face value of Rs. 10 each (“**Equity Shares**”) from the Public Shareholders of Fairchem Organics Limited (the “**Target Company**”), representing 25.94% of the Voting Share Capital, at a price of INR 575.53/- per Equity Share (the “**Offer Price**”) aggregating to total consideration of INR 1,94,41,13,290.09 payable in cash.

The Offer is being made pursuant to and in compliance with Regulations 3(2) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and subsequent amendments thereto (the “**SEBI (SAST) Regulations**”).



We are pleased to inform you that we have been appointed as the “**Manager**” to the captioned Offer and as required under Regulation 14(1) of the SEBI (SAST) Regulations we are enclosing herewith a copy of the public announcement dated December 24, 2020 (the “**Public Announcement**”) in relation to the Offer.

We request you to kindly upload the Public Announcement on your website at the earliest.

Capitalized terms used in this letter unless defined herein shall have the same meanings as ascribed to them in the attached Public Announcement.

Thanking You,

For **JM Financial Limited**

Authorized Signatory

Enclosure: as above.

JM Financial Limited

Corporate Identity Number: L67120MH1986PLC038784

Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

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PUBLIC ANNOUNCEMENT UNDER REGULATIONS 3(2) AND 4 READ WITH REGULATION 13(1), AND REGULATION 15(1) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011, AS AMENDED

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF FAIRCHEM ORGANICS LIMITED

Open offer for acquisition of up to 33,77,953 (Thirty Three Lakhs Seventy Seven Thousand Nine Hundred and Fifty Three) (“Offer Shares”) fully paid up equity shares of face value of INR 10 (Indian Rupees Ten) each (“Equity Shares”) of Fairchem Organics Limited (“Target Company” or “Company” or “FOL”), representing 25.94% (Twenty Five point Nine Four Percent) of the Voting Share Capital (*as defined below*), from the Public Shareholders (*as defined below*) of the Target Company, by FIH Mauritius Investments Ltd (“Acquirer”), together with FIH Private Investments Ltd (“PAC 1”), Nahoosh Jariwala (“PAC 2”), Utkarsh Shah (“PAC 3”), Jariwala Tradelink LLP (“PAC 4”) and Nahoosh Tradelink LLP (“PAC 5”) (PAC 1, PAC 2, PAC 3, PAC 4 and PAC 5 collectively referred to as the “PACs”) in their capacity as a person acting in concert with the Acquirer, pursuant to and in compliance with Regulations 3(2) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “SEBI (SAST) Regulations”) (“Open Offer” or the “Offer”).

*(*As per SEBI (SAST) Regulations, the Open Offer under Regulation 3 and 4 shall be for at least 26% of the total share capital of a target company, as of 10th working day from the closure of the tendering period. However, as on date, the public shareholding of the Target Company is 25.94 % of the total outstanding share capital, and therefore, the Offer Shares represent 25.94% of the Voting Share Capital (defined below) of the Target Company.)*

This public announcement (“**Public Announcement**” or “**PA**”) is being issued by JM Financial Limited, the manager to the Offer (the “**Manager**”), for and on behalf of the Acquirer and the PACs, to the Public Shareholders (*as defined below*) of the Target Company, pursuant to and in compliance with Regulation 3(2), Regulation 4 read with Regulation 13(1) and Regulation 15(1) of the SEBI (SAST) Regulations.

For the purposes of this Public Announcement, the following terms shall have the meanings assigned to them below:

- a) “**Public Shareholders**” shall mean all the public shareholders of the Target Company, excluding the promoter, members of the promoter group of the Target Company, the parties to the Underlying Transaction (*as defined below*), and any persons deemed to be acting in concert with the parties mentioned above, pursuant to and in compliance with the SEBI (SAST) Regulations;
- b) “**Stock Exchanges**” means BSE Limited and National Stock Exchange of India Limited; and

c) “**Voting Share Capital**” means the total voting equity share capital of the Target Company on a fully diluted basis as of the 10th (tenth) working day from the closure of the tendering period of the Open Offer.

1. Offer Details

- 1.1. **Open Offer Size:** Up to 33,77,953 Equity Shares of the Target Company (“**Offer Shares**”), constituting 25.94% (Twenty Five point Nine Four Percent) of the Voting Share Capital, subject to the terms and conditions mentioned in this Public Announcement, and to be set out in the detailed public statement (“**DPS**”) and the letter of offer (“**LoF**”) that are proposed to be issued in accordance with the SEBI (SAST) Regulations.
- 1.2. **Offer Price/ Consideration:** The Offer is being made at a price of INR 575.53 per Offer Share (the “**Offer Price**”), that will be offered to the Public Shareholders who validly tender their Equity Shares in the Open Offer. The Offer Price is arrived at in accordance with Regulation 8(2) of the SEBI (SAST) Regulations. Assuming full acceptance of the Open Offer, the total consideration payable by the Acquirer in accordance with the SEBI (SAST) Regulations will be INR 1,94,41,13,290.09.
- 1.3. **Mode of Payment:** The Offer Price is payable in cash by the Acquirer in accordance with Regulation 9(1) (a) of the SEBI (SAST) Regulations.
- 1.4. **Type of Offer:** This Open Offer is a mandatory offer in compliance with Regulation 3(2) and 4 of the SEBI (SAST) Regulations, pursuant to the Underlying Transaction (*defined in paragraph 2 below*). This Offer is not subject to any minimum level of acceptance.

2. Transaction which has triggered the Open Offer obligations (“Underlying Transaction”)

PART A - Underlying Transactions

- 2.1. This Offer is being made by the Acquirer and PACs in terms of Regulation 3(2) and 4 of the SEBI SAST Regulations pursuant to the following:
- 2.2. The Acquirer, Sellers (*defined in paragraph 4 below*) and the Target Company entered into a share purchase agreement on May 22, 2019, as amended on September 30, 2020 (“**FOL SPA**”), pursuant to which, the Acquirer agreed to purchase 23,30,757 Equity Shares representing 17.9% of the Voting Share Capital, for cash at a price of INR 575.53 per Equity Share from the Sellers, subject to fulfilment of the conditions precedent set out in the FOL SPA.

2.3. In addition to the FOL SPA, the PAC 3, PAC 4, PAC 5, Sellers and the Target Company have also entered into a share purchase agreement on May 22, 2019, as amended on September 30, 2020 (“**Other FOL SPA**”), pursuant to which, the PAC 3, PAC 4 and PAC 5 agreed to purchase 6,21,834 Equity Shares representing 4.78% of the Voting Share Capital, for cash at a price of INR 575.53 per Equity Share from the Sellers, subject to fulfilment of the conditions precedent set out in the Other FOL SPA.

2.4. The transactions set out in paragraph 2.2 and 2.3 above are collectively referred to as the “**Underlying Transaction**”. Set out below are the details of the Underlying Transaction:

Type of transaction (direct/ indirect)	Mode of transaction (Agreement/ Allotment/ market purchase)	Shares/ Voting rights acquired/ proposed to be acquired		Total consideration for shares/ voting rights acquired (INR in crores)	Mode of payment	Regulation which has triggered
		Number	% vis-à-vis total Equity/ Voting Share Capital			
Direct	Acquisition of Equity Shares of the Target Company by the Acquirer pursuant to the FOL SPA	23,30,757	17.90%	134.14	Cash	Regulation 3(2) and Regulation 4 of the SEBI SAST Regulations
	Acquisition of Equity Shares of the Target Company by the PAC 3, PAC 4 and PAC 5 pursuant to the Other FOL SPA	6,21,834	4.78%	35.79	Cash	
	Shareholders’ agreement dated May 22, 2019 entered into among the Acquirer, PACs and Target Company (“SHA”).	-	-	-	-	
Total		29,52,591	22.68%	169.93		

2.5. The object and purpose of the Underlying Transaction is to re-align the inter se shareholding between the existing promoter groups in the Target Company pursuant to which the Sellers proposes to sell their entire shareholding in the Target Company to the other existing promoters.

- 2.6. As on the date of this PA, the Acquirer, the PACs and the Sellers exercise joint control over the Target Company. Pursuant to the consummation of the Underlying Transaction, the Sellers shall cease to exercise control over the Target Company and Acquirer and PACs shall exercise control over the Target Company.

PART B - Additional Details

- 2.7. Privi Speciality Chemicals Limited (erstwhile Fairchem Speciality Limited) (“**FSL**”) is a company incorporated in India with its equity shares listed on the Stock Exchanges. FSL directly carried out the business of manufacturing, supplying and exporting of speciality oleo chemicals (natural source) and nutraceuticals (natural source) made from by-products generated from processing of crude vegetable oil refineries, including vegetable oil based fatty acid distillate and acid oils (“**Business**”). Further, through its erstwhile wholly owned subsidiary, Privi Organics India Limited (“**POIL**”), which has since been amalgamated into FSL, it carried the business of development, manufacture and processing of the Aroma Chemical.
- 2.8. On May 22, 2019, the Target Company, along with FSL and POIL entered into a composite scheme of arrangement (“**Scheme**”), to undertake the following: (a) with effect from close of business hours on March 31, 2019, *inter alia*, (i) the undertaking comprising of the entire operations, activities, business division and undertaking of the Business was transferred by way of demerger from FSL to the Target Company and the Target Company’s Equity Shares were issued and allotted to the shareholders of FSL in accordance with the share entitlement ratio set out in the Scheme, such that the shareholders of FSL, as on August 24, 2020 (the “**Record Date**”), would hold the Equity Shares in the same ratio as their shareholding in FSL, (ii) simultaneously with the issue and allotment of equity shares by the Target Company to the shareholders of FSL, the equity shares held by FSL in the Target Company were cancelled, and (b) with effect from opening of business hours on April 1, 2019, POIL, a wholly owned subsidiary of FSL, was merged into FSL and simultaneously, the equity shares held by FSL in POIL were cancelled. Prior to the effectiveness of the Scheme, the Target Company was a wholly owned subsidiary of FSL. The Scheme received all relevant approvals from SEBI and the Stock Exchanges, the shareholders of each company and the National Company Law Tribunal, Mumbai bench, and consequently, on August 12, 2020 i.e. the effective date of the completion of the demerger under the Scheme, the Business was transferred to the Target Company.
- 2.9. All the shareholders of FSL who were shareholders of FSL on the Record Date have been allotted Equity Shares on August 26, 2020 in the same proportion as their shareholding in FSL on the basis of 1 fully paid equity share of Rs 10 each of the Target Company for every 3 equity shares of Rs. 10 each held in FSL. After the effective date of the demerger, the Target Company has received the listing and trading approval for the Equity Shares from the Stock Exchanges, and such trading commenced on December 24, 2020.

2.10. The group of individual and incorporated persons collectively known as the ‘Privi Group’ (defined as ‘Sellers’ in paragraph 4 below) were shareholders of FSL on the Record Date, and collectively held 8,857,773 equity shares of FSL constituting 22.68% of the entire paid up share capital of FSL. Consequently, they were allotted 2,952,591 Equity Shares, constituting 22.68% of the total paid up share capital of the Target Company.

3. Acquirer/ PACs

Details	Acquirer	PAC 1	PAC 2	PAC 3	PAC 4	PAC 5	Total
Name	FIH Mauritius Investments Ltd	FIH Private Investments Ltd	Nahoosh Jariwala	Utkarsh Shah	Jariwala Tradelink LLP	Nahoosh Tradelink LLP	Not Applicable
Address	Level 1, Maeva Tower, Silicon Avenue, Cybercity, Ebene, 72201, Mauritius	Level 1, Maeva Tower, Silicon Avenue, CyberCity, Ebene 72201, Republic of Mauritius	‘Jariwala’, Rajpath Club Rangoli Road, Beside Shashwat Bungalow, Bodakdev, Ahmedabad-380 059, India	Anantam Bungalow, Rajpath Rangoli 100 Ft Road, Near Shashwat Bungalows, Bodakdev, Ahmedabad-380054, India	Jariwala, Beside Shaswat Bungalow, Rajpath Club, Rangoli Road, Bodakdev Ahmedabad 380059, India	Jariwala, Beside Shaswat Bungalow, Rajpath Club, Rangoli Road, Bodakdev Ahmedabad 380059. India	Not Applicable
Name(s) of persons in control/ promoters of Acquirer/ PACs where Acquirer/ PACs are companies	The Acquirer is a private company limited by shares incorporated on November 12, 2014 under the laws of Republic of Mauritius, pursuant to the (Mauritius) Companies Act, 2001 and is a wholly-owned	PAC 1 is a private company limited by shares incorporated on November 12, 2014 under the laws of Republic of Mauritius, pursuant to the (Mauritius) Companies Act, 2001 with the	Not Applicable	Not Applicable	Nahoosh J. Jariwala, Sandhya N Jariwala and Vaishnavi N Jariwala are designated partners and each partner has 1 (one) vote each as per the	Nahoosh J. Jariwala, Sandhya N Jariwala and Priyanshi N Jariwala are designated partners and each partner has 1 (one) vote each as per the provisions of the	Not Applicable

	subsidiary of Fairfax India Holdings Corporation.	PAC 1 is a wholly owned subsidiary of the Acquirer and is ultimately owned by Fairfax India Holdings Corporation.			provisions of the limited liability partnership agreement and no individual partner exercises single control over PAC 4	limited liability partnership agreement and no individual partner exercises single control over PAC 5.	
Name of the Group, if any, to which the Acquirer / PACs belongs to	Fairfax Group	Fairfax Group	Adi Group	Adi Group	Adi Group	Adi Group	Not Applicable
Pre-transaction shareholding • Number • % of total share capital	63,47,609 (48.75%)	1,083 (0.01%)	Nil	8,333 (0.06%)	1,12,327 (0.86%)	2,21,006 (1.70%)	66,90,358 (51.38%)
Proposed shareholding after the acquisition of shares (including Offer Shares)	1,20,56,319 Equity Shares constituting 92.59% of the Voting Share Capital	1,083 Equity Shares constituting 0.01% of the Voting Share Capital	Nil #	8,333 Equity Shares constituting 0.06% of the Voting Share Capital	3,21,874 Equity Shares constituting 2.47% of the Voting Share Capital	6,33,293 Equity Shares constituting 4.86% of the Voting Share Capital	1,30,20,902 Equity Shares constituting 100.00% of the Voting Share Capital

which triggered the Open Offer *							
Any other interest in the Target Company	Mr. Sumit Maheshwari has been appointed as nominee director of the Acquirer and PAC 1 in the Target Company.	Mr. Sumit Maheshwari has been appointed as nominee director of the Acquirer and PAC 1 in the Target Company.	PAC 2 is a director of the Target Company.	PAC 3 is a director of the Target Company.	Not Applicable	Not Applicable	Not Applicable

PAC 2 does not hold any Equity Shares in the Target Company. However, PAC 2 is a designated partner in PAC 4 and PAC 5, which collectively hold 333,333 Equity Shares representing 2.56% of the Voting Share Capital of the Target Company as on date.

* Assuming full acceptance in the Offer.

4. Details of the Sellers:

Name	Part of promoter group (Yes/ No)	Details of shares/ voting rights held by the selling shareholders			
		Pre Transaction		Post Transaction	
		Number of Equity Shares	% vis-à-vis Voting Share Capital	Number of Equity Shares	% vis-à-vis Voting Share Capital
Mr. Mahesh Babani	Yes	862,116	6.62%	Nil	Nil
Mahesh Purshottam Babani HUF	Yes	597,240	4.59%	Nil	Nil

Name	Part of promoter group (Yes/ No)	Details of shares/ voting rights held by the selling shareholders			
		Pre Transaction		Post Transaction	
		Number of Equity Shares	% vis-à-vis Voting Share Capital	Number of Equity Shares	% vis-à-vis Voting Share Capital
Mrs. Seema Babani	Yes	130,000	1.00%	Nil	Nil
Ms. Snehal Babani	Yes	130,000	1.00%	Nil	Nil
Ms. Jyoti Babani	Yes	130,000	1.00%	Nil	Nil
Moneymart Securities Private Limited	Yes	68,904	0.53%	Nil	Nil
Vivira Chemicals Private Limited	Yes	26,586	0.20%	Nil	Nil
Mr. Doppalapudi Bhaktavatsala Rao	Yes	241,020	1.85%	Nil	Nil
Mr. D. Premaleela	Yes	59,058	0.45%	Nil	Nil
Mr. D. Vinaykumar	Yes	159,426	1.22%	Nil	Nil
Mr. D. Vijaykumar	Yes	151,668	1.16%	Nil	Nil
Ms. Grace Vinaykumar	Yes	49,950	0.38%	Nil	Nil
Ms. Sharon Vinaykumar	Yes	52,848	0.41%	Nil	Nil
Mr. D. Rajkumar	Yes	148,608	1.14%	Nil	Nil
Mrs. Prasanna Rajkumar	Yes	61,758	0.47%	Nil	Nil
Mr. Guduru Ramesh	Yes	20,103	0.15%	Nil	Nil

Name	Part of promoter group (Yes/ No)	Details of shares/ voting rights held by the selling shareholders			
		Pre Transaction		Post Transaction	
		Number of Equity Shares	% vis-à-vis Voting Share Capital	Number of Equity Shares	% vis-à-vis Voting Share Capital
Vivira Investment and Trading Private Limited	Yes	63,306	0.49%	Nil	Nil
Total		2,952,951	22.68%	Nil	Nil

Note: Out of 2,952,951 equity shares held by the Sellers, Acquirer will be acquiring 2,330,757 equity shares. The balance 6,21,834 equity shares will be acquired by PAC 4 and PAC 5.

5. Target Company

Name: Fairchem Organics Limited

CIN: U24200MH2019PLC323176

Registered Office: Plot A-71, TTC Industrial Estate, Nr. Thane Belapur Road, Kopar Khairane, Navi Mumbai - 400709, Maharashtra, India.

Exchanges where listed: The Equity Shares of the Target Company are listed on the following exchanges:

- (i) BSE Limited, Scrip ID: FAIRCHEMOR, Scrip Code: 543252
- (ii) National Stock Exchange of India Limited, Symbol: FAIRCHEMOR

The ISIN of the Target Company is INE0DNW01011.

6. Other Details regarding the Offer

- 6.1. The DPS to be issued under the SEBI (SAST) Regulations shall be published in newspapers not later than January 1, 2021 (i.e. within five working days of this public announcement), in accordance with Regulation 13(4) of the SEBI (SAST) Regulations. The DPS shall, *inter alia*, contain details of the Open Offer including detailed information on the Offer Price, the Acquirer, the PACs, the Target Company, the Sellers, the background to the Offer, details of financial arrangements, other terms and conditions of the Open Offer.
- 6.2. The Open Offer is not conditional upon any minimum level of acceptance pursuant to the terms of Regulation 19(1) of the SEBI (SAST) Regulations. This Public Announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 6.3. The Acquirer, the PACs and their respective directors, accept full responsibility for the information contained in this PA, and undertake that they are aware of and will comply with the obligations under the SEBI (SAST) Regulations. The Acquirer confirms that it has adequate financial resources to meet its obligations under the Offer and has made firm financial arrangements for financing the acquisition of the Offer Shares, through verifiable means, in terms of Regulation 25(1) of the SEBI (SAST) Regulations.
- 6.4. This Offer is subject to the terms and conditions mentioned in this Public Announcement, and as will be set out in the DPS and the LoF, proposed to be issued in accordance with the SEBI (SAST) Regulations.
- 6.5. All the information pertaining to the Target Company has been obtained from publicly available sources and confirmations from the Target Company, and the accuracy thereof has not been independently verified by the Manager to the Open Offer.
- 6.6. In this Public Announcement, all references to “**Re.**” and “**Rs.**” and “**INR**” are references to Indian Rupees.

Issued by the Manager to the Offer:



JM Financial Limited

7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi,
Mumbai – 400 025, India.

Tel: +91 22 6630 3030

Fax: +91 22 6630 3330

Email: prachee.dhuri@jmfl.com

Contact person: Ms. Prachee Dhuri

SEBI Registration Number: INM000010361

For and on behalf of the Acquirer and the PAC

FIH Mauritius Investments Ltd (Acquirer)

FIH Private Investments Ltd (PAC 1)

Utkarsh Shah (PAC 3)

Nahoosh Jariwala (PAC 2)

Jariwala Tradelink LLP (PAC 4)

Nahoosh Tradelink LLP (PAC 5)

Place: Mumbai

Date: December 24, 2020