

LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is being sent to you as a registered Equity Shareholder of Clariant Chemicals (India) Limited (the "Company") as on the Record Date in accordance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended. If you require any clarifications about the action to be taken, you should consult your stock broker or your investment consultant or the Manager to the Buy Back i.e. Axis Capital Limited or the Registrar to the Buy Back i.e. Sharepro Services (India) Private Limited. Please refer to the section on "Definitions" for the definition of the capitalized terms used herein.

Clariant Chemicals (India) Limited



CIN: L24110MH1956PLC010806

Registered Office and Correspondence Address: Reliable Tech Park, Thane-Belapur Road, Airoli, Navi Mumbai – 400708

Tel. No.: +91 22 7125 1000; Fax: +91 7125 1201; E-mail: investor.relations_india@clariant.com;

Contact Person: Ms. Ameer Joshi, Company Secretary & Compliance Officer;

Tel. No.: +91 22 7125 1000; Fax: +91 7125 1201; E-mail: investor.relations_india@clariant.com.

Cash offer to Buy Back upto 35,78,947 (Thirty Five Lakhs Seventy Eight Thousand Nine Hundred Forty Seven Only) fully paid-up equity shares of face value ₹ 10/- each ("Equity Shares"), representing 13.42% of the total number of Equity Shares in the issued, subscribed and paid-up Equity Share capital of the Company, from all the Equity Shareholders as on the Record Date, i.e. July 20, 2015, on a proportionate basis, through the "Tender Offer" route, at a price of ₹ 950/- (Rupees Nine Hundred Fifty Only) per Equity Share for an aggregate amount of ₹ 3,40,00,00,000/- (Rupees Three Hundred Forty Crores Only).

- 1) The Buy Back is in accordance with the provisions of Sections 68, 69, 70(1) and all other applicable provisions, if any, of the Companies Act 2013, as amended and to the extent notified (the "Companies Act"), Article 8A of the Articles of Association of the Company and subject to the provisions of the Buy Back Regulations, and such other approvals, permissions and exemptions as may be required, from time to time, from BSE Limited ("BSE") and the National Stock Exchange of India Limited (The "NSE", and together with BSE, the "Recognized Stock Exchanges") where the Equity Shares of the Company are listed, and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof. For the purpose of this Buy Back, BSE is the Designated Stock Exchange.
- 2) The Buy Back Size is 24.51% of the fully paid-up Equity Share capital and free reserves (being the net worth of the Company) as per the audited accounts of the Company for the financial year ended December 31, 2014 (the last audited financial statements available as on the date of the Board meeting recommending the proposal of the Buy Back) and is within the statutory limits of 25% of the fully paid-up Equity Share capital and free reserves as per the last audited financial statements of the Company.
- 3) This Letter of Offer is sent to the Equity Shareholder of Equity Shares as on the Record Date i.e. July 20, 2015.
- 4) The procedure for acceptance is set out in paragraph 19 on page 21 of this Letter of Offer. The Form of Acceptance-cum-Acknowledgement (the "Tender Form") is enclosed together with this Letter of Offer.
- 5) A copy of the Public Announcement and the Letter of Offer (including the Tender Form) is expected to be available on the website of Securities and Exchange Board of India- <http://www.sebi.gov.in>
- 6) Equity Shareholders are advised to refer to Details of the Statutory Approvals and Note on Taxation on paragraph 17 on page 21 and paragraph 21 on page 27, respectively, of this Letter of Offer, before tendering their Equity Shares in the Buy Back.

BUY BACK OPENS ON: TUESDAY, SEPTEMBER 22, 2015

BUY BACK CLOSSES ON: WEDNESDAY, OCTOBER 7, 2015

LAST DATE/ TIME OF RECEIPT OF COMPLETED APPLICATION FORMS: FRIDAY, OCTOBER 9, 2015, 5:00 P.M

MANAGER TO THE BUY BACK

REGISTRAR TO THE BUY BACK



Axis Capital Limited

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C-2 Wadia International Centre,
P. B. Marg, Worli,
Mumbai 400 025, Maharashtra, India

Tel.: +91 22 4325 2183

Fax: +91 22 4325 3000

Email: ccil@axiscap.in

Website: www.axiscapital.co.in

Contact Person: Ms. Simran Singh

SEBI Regn. No.: INM000012029

Validity Period: valid until January 1, 2018

Sharepro Services (India) Private Limited

Plot no 13 AB, Samhita Warehousing Complex,
2nd floor, Sakinaka Telephone Exchange Lane,
Off. Andheri - Kurla Road, Sakinaka, Andheri (East)
Mumbai, Maharashtra, 400072

Tel: +91 22 67720400 / +91 22 61915400

Fax: +91 22 28591568

Email: offer@shareproservices.com

Website: www.shareproservices.com

Contact Person: Mr. Anand Moolya

SEBI Regn. No.: INR00001476

Validity Period: Permanent Registration

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1. SCHEDULE OF ACTIVITIES

Activity	Day & Date
Date of the Board meeting to recommend the proposal for Buy Back of Equity Shares	Wednesday, April 22, 2015
Date of special resolution by the Equity Shareholders of the Company by way of postal ballot approving the Buy Back	Wednesday, July 8, 2015
Date of publication of Public Announcement for the Buy Back	Friday, July 10, 2015
Record Date for determining the Buy Back Entitlement and the names of Eligible Persons	Monday, July 20, 2015
Buy Back opens on / date of opening of Buy Back	Tuesday, September 22, 2015
Buy Back closes on / date of closing of Buy Back	Wednesday, October 7, 2015
Last date of deposit of the physical share certificates with the Registrar	Friday, October 9, 2015
Last date of verification by Registrar	Tuesday, October 13, 2015
Last date of providing Acceptance to the Stock Exchanges by the Registrar	Wednesday, October 14, 2015
Last date of completion of settlement by the Clearing Corporation of the Stock Exchanges	Friday, October 16, 2015
Last date of dispatch of share certificates not accepted under the Buy Back offer	Friday, October 16, 2015
Last date of extinguishment of Equity Shares	Friday, October 23, 2015

2. DEFINITION OF KEY TERMS

Acceptance	Acceptance of Equity Shares tendered by Eligible Persons in the Buy Back Offer.
Additional Equity Shares	Additional Equity Shares tendered by an Eligible Person over and above the Buy Back Entitlement of such Equity Shareholder.
Board/ Board of Directors	Board of Directors of the Company.
BSE	BSE Limited.
Buy Back/ Offer	Offer by Clariant Chemicals (India) Limited to buy back up to maximum of 35,78,947 fully paid-up Equity Shares of face value of ₹ 10/- each at a price of ₹ 950/- per Equity Share from all the Equity Shareholders, as on the record date of the Company through the Tender Offer process on a proportionate basis.
Buy Back Committee	The Buy Back committee comprising of Dr. Deepak Parikh, Vice Chairman & Managing Director, Mr. Rajasubramanian N, Chief Financial Officer and Ms. Ameer Joshi, Company Secretary and Compliance Officer, constituted and authorized for the purposes of the Buy Back Offer by a resolution dated April 22, 2015 of the Board of Directors.
Buy Back Entitlement	The number of Equity Shares that an Equity Shareholder is entitled to tender in the Buy Back Offer, based on the number of Equity Shares held by that Equity Shareholder, on the Record Date and the ratio of Buy Back applicable in the category, to which such Equity Shareholder belongs.
Buy Back Price	Price at which Equity Shares will be bought back from the Equity Shareholders i.e. ₹ 950/- per fully paid up Equity Share, payable in cash.
Buy Back Regulations	Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 including any statutory modifications or re-enactments thereof.
Buy Back Size	Number of Equity Shares proposed to be bought back (i.e. 35,78,947 Equity Shares) multiplied by the Buy Back Price (i.e. ₹ 950 per Equity Share) aggregating to ₹ 3,40,00,00,000 (Rupees Three Hundred Forty Crores Only).
CDSL	Central Depository Services (India) Limited.
Company	Clariant Chemicals (India) Limited.
Companies Act	Companies Act, 2013.

Depositories	Collectively, National Securities Depository Limited and Central Depository Services (India) Limited.
Designated Stock Exchange	BSE Limited.
Directors	Directors of the Company.
Draft Letter of Offer	The Draft letter of offer dated July 17, 2015 filed with SEBI through the Manager to the Buy Back, containing disclosures in relation to the Buy Back as specified in Schedule III of the Buy Back Regulations.
DP	Depository Participant.
Eligible Person(s)	Person(s) eligible to participate in the Buy Back Offer and would mean all Equity Shareholders as on the Record Date being July 20, 2015.
Equity Shares	Fully paid up Equity Shares of face value of ₹ 10/- each of Clariant Chemicals (India) Limited.
Equity Shareholder	Holders of the Equity Shares and includes beneficial owners thereof.
Escrow Account	The Escrow Account opened with ICICI Bank Limited.
Escrow Agent	ICICI Bank Limited.
Escrow Agreement	The escrow agreement dated July 14, 2015 entered into between the Company, ICICI Bank Limited and Axis Capital Limited.
FEMA	Foreign Exchange Management Act, 1999, as amended.
FII(s)	Foreign Institutional Investor(s).
HUF	Hindu Undivided Family.
IT Act/ Income Tax Act	Income Tax Act, 1961, as amended.
Letter of Offer	The letter of offer dated September 9, 2015 containing disclosures in relation to the Buy Back as specified in Schedule III of the Buy Back Regulations, incorporating comments that were received from SEBI on the Draft Letter of Offer.
Manager to the Buy Back	Axis Capital Limited.
Non-Resident Shareholders	Includes Non-resident Indians (NRI) and Foreign Institutional Investors (FII) / Foreign Portfolio Investor as defined under SEBI FPI Regulations.
NSDL	National Securities Depository Limited.
Public Announcement	Public announcement regarding the Buy Back dated July 9, 2015, published in the Financial Express (English National Daily), Jansatta (Hindi National Daily) and Navshakti (Regional Language Daily) on July 10, 2015.
RBI	Reserve Bank of India.
Recognized Stock Exchange	BSE and NSE, being the stock exchanges where the Equity Shares of the Company are listed.
Record Date	The date for the purpose of determining the Buy Back Entitlement and the names of the Eligible Persons to whom the Letter of Offer and Tender Form will be sent, and who are eligible to participate in the proposed Buy Back offer in accordance with the Regulations. The Record Date for the Offer is July 20, 2015.
Registrar to the Buy Back	Sharepro Services (India) Private Limited.
SEBI	Securities and Exchange Board of India.
Small Shareholder	A shareholder, who holds Equity Shares whose market value, on the basis of closing price on BSE and NSE as on the Record Date (July 20, 2015), is not more than Two Lakh Rupees.
Tender Form	Form of Acceptance-cum-Acknowledgement.
Tender Offer	Method of buy back as defined in Regulation 2(1) (o) of the Buy Back Regulations.

3. DISCLAIMER CLAUSE

As required, a copy of this Letter of Offer has been submitted to SEBI. It is to be distinctly understood that submission of this Letter of Offer to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of the Company to meet the Buy Back commitments or for the correctness of the statements made or opinions expressed in this Letter of Offer. The Manager to the Buy Back, Axis Capital Limited, has certified that the disclosures made in this Letter of Offer are generally adequate and are in conformity with the provisions of the Companies Act, the New Companies Act and Buy Back Regulations. This requirement is to facilitate investors to take an informed decision for tendering their Equity Shares in the Buy Back.

It should also be clearly understood that while the Company is primarily responsible for the correctness, adequacy and disclosure of all relevant information in this Letter of Offer, the Manager to the Buy Back is expected to exercise due diligence to ensure that the Company discharges its duty adequately in this behalf and towards this purpose. Pursuant to this requirement, the Manager to the Buy Back, Axis Capital Limited, has furnished to SEBI a Due Diligence Certificate dated July 17, 2015 in accordance with Buy Back Regulations, which reads as follows:

“We have examined various documents and materials contained in the annexure to this letter as part of the due-diligence carried out by us in connection with the finalization of the public announcement and the draft letter of offer. On the basis of such examination and the discussions with the Company, we hereby state that:

- The public announcement and the draft letter of offer are in conformity with the documents, materials and papers relevant to the buyback offer;
- All the legal requirements connected with the said offer including SEBI (Buyback of Securities) Regulations, 1998, as amended, have been duly complied with.
- The disclosures in the public announcement and the draft letter of offer are, to the best of our knowledge, true, fair and adequate in all material respects for the shareholders of the Company to make a well informed decision in respect of the captioned buyback offer.
- Funds used for buy back shall be as per the provisions of the Companies Act, 2013, as amended and to the extent notified.”

The filing of offer document with SEBI, does not, however, absolve the Company from any liabilities under the provisions of the Companies Act, as amended or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the proposed Buyback.

The promoters of the Company/ Directors declare and confirm that no information/ material likely to have a bearing on the decision of Eligible Persons has been suppressed / withheld and / or incorporated in the manner that would amount to mis-statement/ misrepresentation and in the event of it transpiring at any point of time that any information/ material has been suppressed/ withheld and/ or amounts to a mis-statement/ misrepresentation, the promoters of the Company / Directors and the Company shall be liable for penalty in terms of the provisions of the Companies Act, and the Buy Back Regulations.

The promoters of the Company/ Directors also declare and confirm that funds borrowed from banks and financial institutions will not be used for the Buy Back.

4. TEXT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS

The Buy Back through a tender offer has been duly authorized by a resolution passed by the Board of Directors at its meeting held on April 22, 2015. The text of the relevant resolution passed is given below.

“RESOLVED THAT pursuant to the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Companies Act”) and in accordance with Article 8A of the Articles of Association of the Company, the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, as amended (“Buy-Back Regulations”) and subject to the approval of shareholders by way of special resolution through postal ballot and such other approvals, permissions and exemptions as may be required from time to time from BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) where the equity shares of the Company are listed and from any other statutory and/ or regulatory authority, as may be required and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constituted to exercise the powers including the powers conferred hereunder); the Board hereby recommends the proposal of buy back, on a proportionate basis, from shareholders/beneficial owner of the equity shares of the Company as on the record date, up to 35,78,947 (Thirty Five Lakhs Seventy Eight Thousand Nine Hundred Forty Seven only) equity shares of the face value of ₹ 10 each (representing 13.42 % of the total number of the equity share capital of the Company) at

the price of ₹ 950 (Rupees Nine Hundred Fifty Only) per equity share (“Buy Back Price”) aggregating to ₹ 340 Crore (Rupees Three Hundred Forty Crore only) which is less than 25% of the aggregate of equity share capital and free reserves of the Company as per audited accounts of the Company for the financial year ended December 31, 2014 through “Tender Offer” route as prescribed under the Buy-Back Regulations (hereinafter referred to as the “Buyback”).

RESOLVED FURTHER THAT the proposed Buyback be implemented from the shareholders (as on the record date) including the Promoters and Promoter Group (as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009, as amended) out of current surplus and/or cash and cash equivalents and/or internal accruals of the Company and/or such other sources or by such mechanisms as may be permitted by law, and on such terms and conditions as the Board may decide from time to time, and in the absolute discretion of the Board, as it may deem fit.

RESOLVED FURTHER THAT the capital payment (including premium) of an amount not exceeding ₹ 340 Crore towards the buyback of equity shares is properly determined in accordance with Section 68 (2) (c) of the Companies Act, 2013 and is within the permissible amount of 25% of the paid up equity capital and free reserves of the Company as computed below. The amounts of Share Capital and Free Reserves have been extracted from the audited financial statements of the Company for the year ended December 31, 2014;

	As at December 31, 2014 ₹ in Lakhs
Share Capital -Subscribed and Paid up	2666.07
Free Reserves	
-Share Premium Account	3545.65
- General Reserves	40946.63
- Profit and Loss Account	91575.65
TOTAL	138734.00
Maximum amount permissible for buyback i.e 25% of the total paid up capital and free reserves	34683.50

RESOLVED FURTHER THAT Buyback from shareholders who are persons resident outside India including the Foreign Institutional Investors, Overseas Corporate Bodies, if any, shall be, subject to such approvals, if, and to the extent necessary or required including approvals from Reserve Bank of India under Foreign Exchange Management Act, 1999 and the Rules and Regulations framed thereunder, if any.

RESOLVED FURTHER THAT the draft of the Declaration of Solvency prepared in the prescribed form and placed before the meeting be and is hereby approved and Dr. Deepak Parikh, Vice Chairman & Managing Director and Mr. B. L. Gaggar, Executive Director Finance & Company Secretary be and are hereby authorized to sign the same, for and on behalf of the Board and file the same with the Registrar of Companies and the Securities and Exchange Board of India.

RESOLVED FURTHER THAT as required by Clause (x) of Part A of Schedule II under Regulation 5 (1) of the Buy-Back Regulations, the Board hereby confirms that the Board of Directors has made a full enquiry into the affairs and prospects of the Company and that based on such full inquiry conducted into the affairs and prospects of the Company, and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Companies Act, the Board of Directors has formed an opinion:

- 1) That immediately following the date of the Board meeting held on April 22, 2015 and the date on which results of the postal ballot will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
- 2) That as regards the Company's prospects for the year immediately following the date of the board meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared, approving the buyback and having regard to the Board's intention with respect to the management of 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 Postal Ballot will be declared; as the case may be;
- 3) 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 (including prospective and contingent liabilities).

RESOLVED FURTHER THAT Company has complied and shall continue to comply with Section 70 of the Companies Act wherein:

- 1) The Company shall not directly or indirectly purchase its own share:
 - a) Through any subsidiary company including its own subsidiary companies or
 - b) Through any investment company or group of investment companies or
- 2) The Company has not defaulted in the repayment of the deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any shareholder or repayment of term loan or interest payable thereon to any financial institution or banking company.

RESOLVED FURTHER THAT confirmation is hereby made by the Board of Directors that:

- a) all equity shares of the Company are fully paid up;
- b) the Company has noted that the Company shall not issue and allot any equity shares including by way of bonus or convert any outstanding ESOPs/ outstanding instruments into equity shares, till the date of closure of this Buyback;
- c) the Company shall not buy back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- d) the debt equity ratio of the Company after the Buyback will be well within the limit of 2:1 as prescribed under the Companies Act.

RESOLVED FURTHER THAT Company shall not use borrowed funds, directly or indirectly, whether secured or unsecured, of any form and nature, from Banks and Financial Institutions for paying the consideration to the equity shareholders who have tendered their equity shares in pursuance of the Buyback offer.

RESOLVED FURTHER THAT the Company shall not Buyback the locked-in equity shares or other specified securities, if any and non-transferable equity shares or other specified securities, if any, till the pendency of the lock-in or till the equity shares or other specified securities become transferable.

RESOLVED FURTHER THAT as per the provisions of Section 68 (8) of the Companies Act, the Company will not issue same kind of shares or other specified securities shares within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued in the discharge of subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares.

RESOLVED FURTHER THAT as per the provisions of regulation 19(f) of SEBI Buyback Regulations, the Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of its subsisting obligations.

RESOLVED FURTHER THAT the buyback is being proposed to enhance overall shareholders value and the buyback would lead to reduction in total number of equity shares.

RESOLVED FURTHER THAT a committee be constituted comprising following members ("Buyback Committee"), i.e., Dr. Deepak Parikh, Vice Chairman & Managing Director, Mr. Rajasubramanian N. and Ms. Ameer Joshi. Further the Buyback Committee is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the shareholders, including but not limited to:

- 1) finalizing the terms of the Buyback like the record date, entitlement ratio, the timeframe for completion of the Buyback;
- 2) entering into escrow arrangements as required in terms of the Buy-Back Regulations;
- 3) opening, operation and closure of all necessary accounts including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorising the persons to operate the said accounts;

- 4) the appointment and finalization of the bankers, escrow agents, registrars, brokers, lawyers, depository participants, advertising agencies and other advisors/ consultants/ intermediaries/ agencies, as may be required, for the implementation of the Buyback;
- 5) Decide and settle the remuneration for all such intermediaries/agencies/persons, including by the payment of commission, brokerage, fee, charges etc and enter into agreements/letters in respect thereof;
- 6) preparation, signing and filing of the public announcement, the Draft letter of offer, Letter of Offer with the SEBI, BSE, NSE and other appropriate authorities;
- 7) making all applications to the appropriate authorities for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999, as amended and the rules, regulations framed thereunder;
- 8) extinguishment of share certificates and filing of certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Company and/or the Board;
- 9) sign, execute and deliver such documents as may be necessary or desirable in connection with or incidental to the Buyback; execution of documents under the Common Seal of the Company as may be required;
- 10) to settle and resolve any queries or difficulties raised by SEBI, Stock Exchanges, Registrar of Companies and any other authorities whatsoever in connection to any matter incidental to and ancillary of the Buy Back;
- 11) to close the Buy Back and to complete all the required formalities as specified under the Company Act, Buy Back Regulations, Listing Agreement and other applicable laws;
- 12) to delegate all or any of the authorities conferred on them to any directors, officers, authorized signatories and/or representatives of the Company; and
- 13) to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise in relation to the Buyback.

RESOLVED FURTHER THAT any two of the members mentioned above shall form the quorum of the said committee meeting provided one of them shall be the Director of the Company who is the member of the said Committee.

RESOLVED THAT Ms. Ameet Joshi, Company Secretary & Compliance Officer, be and is hereby appointed as the compliance officer for the purposed buy-back.

RESOLVED FURTHER THAT M/s. Axis Capital Limited, SEBI registered Merchant Banker, be and is hereby appointed as the Managers to the Buy-Back offer and that the draft of the agreement as placed before the Board be and is hereby approved and Dr. Deepak Parikh, Vice Chairman & Managing Director and Mr. Rajasubramanian N. be and are hereby authorized to execute the agreement on behalf of the Company.

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

5. DETAILS OF THE PUBLIC ANNOUNCEMENT

As per Regulation 8(1) of the Buy Back Regulations, the Company has made a Public Announcement dated July 9, 2015 for the Buy Back of Equity Shares published on July 10, 2015 in the following newspapers, which is within two working days from the date of passing the special resolution by the Equity Shareholders of the Company approving the Buy Back through postal ballot, the result of which was declared on July 8, 2015.

Name of the Newspaper	Language	Editions
Financial Express	English	All
Jansatta	Hindi	All
Navshakti	Marathi	Mumbai

(A copy of the Public Announcement is expected to be available on the SEBI website at www.sebi.gov.in)

6. DETAILS OF THE BUY BACK

Clariant Chemicals (India) Limited has announced the Buy Back of upto 35,78,947 fully paid-up Equity Shares of face value of ₹ 10/- each from all the Equity Shareholders of the Company as on the Record Date, on a proportionate basis, through the Tender Offer route, subject to compliance with the provisions of Sections 68, 69, 70(1) and other applicable provisions, if any, of the Companies Act, the Buy Back Regulations, the listing agreement entered by the Company with the BSE and NSE, applicable rules and regulations as specified by RBI, amongst others, at the Buy Back Price of ₹ 950/- per Equity Share payable in cash, for an aggregate maximum amount of ₹ 340,00,00,000/- (Rupees Three Hundred Forty Crores only), which amounts to 24.51% of the paid up capital of the Company and free reserves as at December 31, 2014 (the last audited financial statements of the Company available as on the date of the Board meeting recommending the proposal of the Buy Back) and is within the statutory limits of 25% of the fully paid-up Equity Share capital and free reserves as per the last audited financial statements of the Company. The maximum number of Equity Shares proposed to be bought back represents 13.42% of the total number of Equity Shares of the issued, subscribed and paid-up Equity Share capital of the Company. The Buy Back Size does not include any expenses incurred or to be incurred for the Buy Back like SEBI filing fees, advisors fees, Public Announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

The Buy Back is proposed to be implemented by the Company through Tender Offer Method from the Equity Shareholders on a proportionate basis; provided, however, 15% of the number of Equity Shares which the Company proposes to buy back or number of Equity Shares entitled as per their shareholding, whichever is higher, shall be reserved for Small Shareholders. As per Buy Back Regulations, small shareholder means a shareholder who holds Equity Shares having market value, on the basis of closing price on NSE as on Record Date, of not more than Two Lakhs Rupees.

- (i) (a) The aggregate shareholding of the Promoters and Promoter Group as on the date of Public Announcement i.e. July 9, 2015 is as under:

Name	No. of Equity Shares	% of Equity Paid-up Capital
EBITO Chemiebeteteiligungen AG	81,67,080	30.63
Clariant International Ltd	60,75,000	22.79
Clariant Participations Ltd	26,60,000	9.98
Total	1,69,02,080	63.40

- (b) Aggregate shareholding of the directors of the Promoters and Promoter Group:
None of the directors of the Promoters and Promoter Group of the Company hold any Equity Shares in the Company.
- (c) Aggregate shareholding of the persons who are in control of the Company:
Except as disclosed in clause (i)(a) above, none of the persons, who are in control of the Company, holds any Equity Shares in the Company.
- (ii) In terms of the Buy Back Regulations, under the Tender Offer method, the promoters and promoter group of the Company have the option to participate in the Buy Back. In this regard, EBITO Chemiebeteteiligungen AG, Clariant International Ltd and Clariant Participations Ltd vide their letters dated April 22, 2015, have expressed their intention to participate in the Buyback to such an extent that the combined shareholding of Promoter/Promoter Group in the Company post Buyback remains atleast 51.00% of the post Buyback equity share capital of the Company. The details of date and price of acquisition of the Equity Shares that the Promoters and Promoter Group intend to tender are stated below:

(a) EBITO Chemieeteiligungen AG (Promoter)

Date of Acquisition	No. of Equity Shares Acquired	Cost of Acquisition (In ₹ Lakhs)	Mode of Acquisition	Shareholding as on date of Public Announcement
October 13, 2000	5,83,708	10,974.60	Acquisition pursuant to Stock Purchase Agreement executed between Hoechst AG & EBITO. (Refer Note 1)	30.63%
October 24, 2000	58,37,080	-	Sub-division of Face Value of shares of ₹ 100/- each to ₹ 10/- each.	
July 12, 2005	23,30,000	9,704.80	Acquisition pursuant to participation in Open Offer dated May 31, 2005 (Refer Note 2)	

Note 1: Pursuant to Stock Purchase Agreement executed by and between Hoechst AG & EBITO on June 16, 2000, 5,83,708 shares of ₹ 100/- each held by Hoechst AG in Clariant Chemicals (India) Limited were transferred to EBITO for a consideration of DEM 50,620,861, indicating an price of DEM 86.72 per share. Cost = DEM 86.72 or INR 1,880.15 (Exchange rate 1 DEM= INR 21.68).

Note 2: Pursuant to Letter of Offer dated May 31, 2005 made by EBITO, Clariant International Limited and Clariant AG to the shareholders of the Company, EBITO acquired 23,30,000 shares for a consideration of ₹ 9,704.80 lakhs i.e. at an average price of ₹ 416.52/- per share on July 12, 2005.

(b) Clariant International Limited (Promoter)

Date of Acquisition	No. of Equity Shares Acquired	Cost of Acquisition (In ₹ Lakhs)	Mode of Acquisition	Shareholding as on date of Public Announcement
May 2, 2006	60,75,000	18,619.27	Acquisition pursuant to Scheme of amalgamation in the ratio of 1:1 determined by Valuation report. (Refer Note 1)	22.79%

Note 1: Pursuant to Scheme of Amalgamation between Clariant (India) Limited, Vanavil Dyes and Chemicals Limited, BTP India Private Limited and Kundalika Investments Limited with Colour-Chem Limited approved by High Court vide order dated March 17, 2006, the shareholders of Clariant (India) Limited were issued 1 equity share in the Company for every 1 equity share held in Clariant (India) Limited. Post amalgamation, Colour Chem Limited was renamed to Clariant Chemicals (India) Limited. Clariant International Limited held 60,75,000 shares in Clariant (India) Limited and thus vide swap ratio of 1:1, were issued 60,75,000 shares in the Company based on the Valuation Report dated September 16, 2005 which determined the Fair Value of per share of the Company as ₹ 306.49/-.

(c) Clariant Participations Limited (Promoter)

Date of Acquisition	No. of Equity Shares Acquired	Cost of Acquisition (In ₹ Lakhs)	Mode of Acquisition	Shareholding as on date of Public Announcement
December 29, 2006	26,60,000	8,564.93	Acquisition pursuant to purchase of shares from BTP Limited through Block Deal through BSE at a price of ₹321.99 per share.	9.98%

Assuming response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buy Back Entitlement, the aggregate shareholding of the Promoters and Promoter Group post the Buy Back will increase from 63.40%, to 64.24% of the post Buy Back Equity Share capital of the Company. Also, if none of the public shareholders participate and only the Promoters participate to the extent of their Buy Back Entitlement, their shareholding will reduce to 60.31%. Accordingly, the provisions as contained in regulation 10(3) and regulation 10(4) (c) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 will not be applicable.

7. AUTHORITY FOR THE BUY BACK

Pursuant to the provisions of, Sections 68, 69, 70(1) and all other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Article 8A of the Articles of Association of the Company and subject to the provisions of the Buy Back Regulations, and such other approvals, permissions and exemptions as may be required, from time to time, from BSE and NSE, where the Equity Shares of the Company are listed, and from any other statutory and/or regulatory authority, as may be required and which may be agreed to by the Board and/or any committee thereof, the Buy Back through a tender offer has been duly authorized by:

- (i) Resolution passed by the Board of Directors at its meeting held on April 22, 2015.
- (ii) A special resolution passed by the Equity Shareholders of the Company in terms of the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. The notice dated May 18, 2015 along with the explanatory statement for the special resolution in respect of the Buy Back containing the disclosures as required under Schedule I of the Buy Back Regulations was sent to all members of the Company. The result of the postal ballot was announced on July 8, 2015, which is the date when the special resolution is deemed to have been passed by the Equity Shareholders.

8. NECESSITY OF THE BUY BACK

Share buyback is the acquisition by a company of its own shares. The objective of the Buy Back is to return surplus cash to the Equity Shareholders. The Buy Back through Tender Offer route gives an option to all the Equity Shareholders, including the Promoter shareholders, to receive the surplus cash by participating in the Buy Back.

Subsequent to the sale of the Company's Kolshet land, the Board at its meeting held on April 22, 2015 considered various alternatives for rewarding the Equity Shareholders. After considering several factors and benefits to the Equity Shareholders, the Board of Directors decided to recommend Buy Back of up to 35,78,947 (Thirty Five Lakhs Seventy Eight Thousand Nine Hundred Forty Seven only) Equity Shares of ₹ 10/- (representing 13.42 % of the total number of the equity share capital of the Company) at the Buy Back Price i.e. ₹ 950/- per share aggregating to ₹ 3,40,00,00,000 (Rupees Three Hundred Forty Crores only). Buy Back is a more efficient form of distributing surplus cash to the Equity Shareholders compared to other alternatives including interim dividend, *inter-alia*, for the following reasons:

- (i) The Buy Back gives an option to the Equity Shareholders, who can choose to participate and get cash in lieu of Equity Shares, to be accepted under the Buy Back; or they may choose not to participate thereby and enjoy a resultant increase in their percentage shareholding post the Buy Back without additional investment;
- (ii) Since the Buy Back proceeds will be taxed as capital gains, as applicable, in the hands of the shareholders, the Buy Back would enable the Company to distribute the entire amount so allocated to the Equity Shareholders in a more efficient manner as compared to dividend distribution which would involve payment of dividend distribution tax and thereby result in a lower amount being distributed to the Equity Shareholders;
- (iii) The Buy Back would help in improving certain key financial ratios of the Company; and
- (iv) The Buy Back, which is being implemented through the Tender Offer route as prescribed under the Buy Back Regulations, would involve allocation of 15% of the outlay to Small Shareholders. The Company believes that this reservation of 15% for Small Shareholders would benefit public shareholders who would get classified as "Small Shareholders".

9. MANAGEMENT DISCUSSION AND ANALYSIS AND THE LIKELY IMPACT OF BUY BACK ON THE COMPANY

- (i) The Buy Back is not likely to cause any material impact on the profitability/earnings of the Company except a reduction in the amount available for investment, which the Company could have otherwise deployed towards generating investment income. Assuming response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buy Back Entitlement, the funds deployed by the Company towards the Buy Back would be ₹ 340,00,00,000/- (Rupees Three Hundred Forty Crores only).

- (ii) EBITO Chemieeteiligungen AG, Clariant International Ltd and Clariant Participations Ltd vide their letters dated April 22, 2015, have expressed their intention to participate in the Buyback to such an extent that the combined shareholding of Promoter/Promoter Group in the Company post Buyback remains at least 51.00% of the post Buyback equity share capital of the Company.
- (iii) Assuming response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buy Back Entitlement, the aggregate shareholding of the Promoters and Promoter Group post the Buy Back will increase from 63.40%, to 64.24% of the post Buy Back Equity Share capital of the Company. Also, if none of the public shareholders participate and only the Promoters participate to the extent of their Buy Back Entitlement, their shareholding will reduce to 60.31%. Accordingly, the provisions as contained in regulation 10(3) and regulation 10(4) (c) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 will not be applicable.
- (iv) Assuming response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buy Back Entitlement, the aggregate shareholding of the public shall decrease from 36.60%, which is the public holding as at date, to 35.76% of the post Buy Back Equity Share capital of the Company.
- (v) The Buy Back of Equity Shares shall not result in a change in control or otherwise affect the existing management structure of the Company.
- (vi) Consequent to the Buy Back and based on the number of Equity Shares bought back from the Non-Resident Shareholders, Indian financial institutions, banks, mutual funds and the public including other bodies corporate, the shareholding of each such person shall undergo a change.
- (vii) The debt-equity ratio post Buy Back shall be compliant with the permissible limit of 2:1 prescribed by the Companies Act even if the response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders up to their Buy Back Entitlement.
- (viii) The Buy Back is not expected to impact growth opportunities for the Company.
- (ix) The Promoters and Promoter Group of the Company shall not deal in the Equity Shares of the Company on BSE and NSE or off market, including by way of *inter-se* transfer(s) of Equity Shares among the Promoters during the period from the date of passing the special resolution through postal ballot till the closing of the Offer.
- (x) The Company shall not raise further capital for a period of one year from the closure of the Buy Back except in discharge of its subsisting obligations.
- (xi) The Company shall not issue bonus shares during the period of the Buy Back.
- (xii) Salient financial parameters consequent to the Buy Back based on the latest audited results as on December 31, 2014 are as under:

Parameter	Pre-Buy Back*	Post Buy Back*
Networth# (₹ in Lakhs)	139,602	105,602
Return on Networth# (%)	67.57	89.33
Earnings per Share (₹)	353.82	408.68
Book Value per Share# (₹)	523.62	457.51
P/E as per the latest audited financial results [§]	2.45	2.12
Total Debt/Equity Ratio# (Total Debt/Networth)	-	-

Note: Total debt is excluding working capital loans.

* Pre and Post Buy Back Calculations are based on financial numbers as on December 31, 2014. The post Buy Back numbers are calculated by reducing the net worth by the proposed buyback amount (assuming full acceptance) without factoring in any impact on the profit & loss account.

Excluding revaluation reserves and miscellaneous expenditure to the extent not written off and includes exceptional items.

§ P/E Ratio based on the closing market price as on July 10, 2015, the date of publication of the Public Announcement ₹ 866.30 (BSE).

10. BASIS OF CALCULATING THE BUY BACK PRICE

- (i) The Buy Back Price of ₹ 950/- per Equity Share has been arrived at after considering various factors such as the average closing prices of the Equity Shares of the Company on BSE and NSE, the net worth of the Company and the impact of the Buy Back on the earnings per equity share (“EPS”) of the Company.
- (ii) The Buy Back price of ₹ 950/- per Equity Share represents a premium of 8.87% and 8.84% over the average closing prices of the Company’s Equity Shares on BSE and NSE respectively for 3 months preceding the date of intimation to BSE and NSE for the Board meeting to consider the proposal of the Buy Back and 10.12% and 10.12% over the average closing prices of the Company’s Equity Shares on BSE and NSE respectively for 2 weeks preceding the date of intimation to BSE and NSE for the Board meeting to consider the proposal of the Buy Back.
- (iii) The closing market price of the Equity Shares as on the date of intimation of the date of the Board meeting for considering the proposal of the Buy Back, being April 17, 2015, was ₹ 864.25 and ₹ 862.25 on BSE and NSE respectively.
- (iv) The Buy Back Price is higher by 81.43 % of the book value per Equity Share of the Company, which pre-Buy Back, as on December 31, 2014, is ₹ 523.62.
- (v) The EPS of the Company pre-Buy Back as on December 31, 2014 was ₹ 353.82, which will increase to ₹ 408.68 post Buy Back assuming full acceptance of the Buy Back.
- (vi) The return on networth of the Company pre-Buy Back as on December 31, 2014 was 67.57%, which will increase to 89.33% post Buy Back assuming full acceptance of the Buy Back.

11. SOURCES OF FUNDS FOR THE BUY BACK

- (i) Assuming full acceptance, the funds that would be utilized by the Company for the purpose of the Buy Back would be ₹ 3,40,00,00,000/- (Rupees Three Hundred Forty Crores only).
- (ii) The funds for the Buy Back will be sourced from internal accruals available with the Company / cash balances and / or liquidation of financial instruments held by the Company. The Company shall transfer from its free reserve a sum equal to the nominal value of the equity shares bought back through the Buy back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet. The Company does not intend to raise additional debt for the explicit purposes of the Buy Back. Thus, borrowed funds will not be used for the Buy Back.

12. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- (i) In accordance with Regulation 10 of the Buy Back Regulations, an escrow agreement dated July 14, 2015 has been entered into amongst the Company, Axis Capital Limited and ICICI Bank Limited. Axis Capital Limited being the Manager to the Buy Back shall be empowered to operate the said Escrow Account in accordance with the Buy Back Regulations.
- (ii) In accordance with the Escrow Agreement, the Company has opened an escrow account in the name and style “CLARIANT CHEMICALS INDIA LTD BUYBACK ESC AC” bearing account number 000405109266 with the Escrow Agent.
- (iii) The Company has adequate and firm financial resources to fulfill the obligations under the Buy Back and the same has been certified by P.C. Limaye & Co, independent chartered accountant, having its office at 504, A-3, Vikas Complex Co-Op. Housing Society Limited, Castle Mills Compound, L.B.S.Marg, Thane (W) - 400601, Telephone: +91 22 2547 5064; Membership No.: 047156. Firm Registration No.: 134813W vide a certificate dated July 9, 2015.
- (iv) Based on the aforementioned certificate, the Manager to the Buy Back confirms that it is satisfied that firm arrangements for fulfilling the obligations under the Buy Back are in place and that the Company has the ability to implement the Buy Back in accordance with the Buy Back Regulations.

13. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

- (i) The present capital structure of the Company is as follows:

(₹ in Lakhs)

Parameters	Pre-Buy Back
Authorized Share Capital	
3,00,00,000 Equity Shares of ₹ 10/- each	3000.00
Issued, Subscribed and Paid-up Share Capital	
2,66,60,745 Equity Shares of ₹ 10/- each	2666.07

- (ii) Assuming full acceptance in the Buy Back, the capital structure of the Company post Buy Back would be as follows:

(₹ in Lakhs)

Parameters	Post-Buy Back
Authorized Share Capital	
3,00,00,000 Equity Shares of ₹ 10 /- each	3000.00
Issued, Subscribed and Paid-up Share Capital	
2,30,81,798 Equity Shares of ₹ 10 /- each	2308.18

- (iii) The Company did not implement any buy back programme prior to the present Buy Back.
- (iv) There are no partly paid up Equity Shares or calls in arrears or outstanding convertible instruments or preference shares as on the date of the Public Announcement.
- (v) The shareholding pattern of the Company pre-Buy Back as on July 20, 2015 (the Record Date) as well as the post Buy Back shareholding are as follows:

Category of Shareholder	Pre Buy Back		Post Buy Back#	
	No. of Shares	% to the existing Equity Share capital	No. of Shares	% to the existing Equity Share Capital
Promoters and persons acting in Concert (Collectively "the Promoters")	1,69,02,080	63.40	1,48,27,050	64.24
Foreign Investors (Including Non-Resident Indians, FII and Foreign Mutual Funds)	10,76,828	4.04	82,54,748	35.76
Financial Institutions/Banks & Mutual Funds promoted by Banks/Institutions	11,61,954	4.36		
Others (Public, Public Bodies Corporate etc.)	75,19,883	28.20		
Total	2,66,60,745	100.00	2,30,81,798	100.00

Assuming response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders of the Equity Shares upto their Buy Back Entitlement.

- (vi) There is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Companies Act.
- (vii) Assuming response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buy Back Entitlement, the aggregate shareholding of the Promoters and Promoter Group post the Buy Back will increase from 63.40%, to 64.24% of the post Buy Back Equity Share capital of the Company. Also, if none of the public shareholders participate and only the Promoters participate to the extent of their Buy Back Entitlement, their shareholding will reduce to 60.31%. Accordingly, the provisions as contained in regulation 10(3) and regulation 10(4) (c) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 will not be applicable.
- (viii) Except for Mr. B. L. Gaggar, no Equity Shares were either purchased or sold by the Promoters and/or Promoter Group, the directors of the Promoters and/or Promoter Group where the Promoter/ Promoter Group is a company, and/or persons who are in control of the Company from a period of six months preceding the date of the Board

meeting i.e. April 22, 2015 at which the Board recommended the proposal for Buy Back till the date of postal ballot notice:

Details of transaction undertaken by Mr B. L. Gaggar* are as follows:

Sr. No.	Date of Transaction	No. of Equity Shares	Price Per Equity Share	Amount (₹ Lakhs)	Mode of Transaction
1.	January 29, 2015	50	915.00	0.45	Sale
2.	April 30, 2015	500	861.77	4.31	Purchase

* Mr. B. L. Gaggar has resigned from the Directorship of the Company effective from July 1, 2015 due to his retirement from the services of the Company.

Subsequent to the date of postal ballot notice i.e. May 18, 2015, the Promoters and Promoter Group of the Company have not entered into any transactions in relation to the Equity Shares of the Company.

14. BRIEF INFORMATION OF THE COMPANY

- (i) The Company was originally incorporated in the name of Colour – Chem Limited on December 27, 1956. Subsequently, the name of the Company name was changed to Clariant Chemicals (India) Limited and a fresh certificate of incorporation was issued by Registrar of Companies, Maharashtra, Mumbai on March 31, 2006. The registered office of the Company is situated at Reliable Tech Park, Thane – Belapur Road, Airoli, Navi Mumbai – 400708, Tel: +91 22 7125 1000; Fax: +91 7125 1201. The Company's Corporate Identity Number (CIN) is L24110MH1956PLC010806.
- (ii) Pursuant to the Order of High Court of Judicature at Bombay dated March 17, 2006, the Scheme of Amalgamation between Clariant (India) Limited, Vanavil Dyes and Chemicals Limited, BTP India Private Limited and Kundalika Investments Limited with Colour-Chem Limited was approved with effect from the Appointed Date i.e., April 1, 2005. Consequent to the Amalgamation, the name was changed from "Colour-Chem Limited" to "Clariant Chemicals (India) Limited".
- (iii) The Company is part of the Clariant Group based in Switzerland. The Company's revenues are primarily from the areas of Pigments (Coatings, Printing and Plastics and Special Applications) and Masterbatches. The Company strives to deliver solutions for the industry and the society with an aim to co-create tailor made solutions with customers for the industry.
- (iv) For the financial years ended December 31, 2014, 2013, 2012 and 2011, the Company recorded net sales of ₹ 1,00,820.49 Lakhs, ₹ 1,21,320.25 Lakhs, ₹ 1,07,122.57 Lakhs, and ₹ 95,608.12 Lakhs, respectively, and Profit after Tax of ₹ 94,331.55 Lakhs, ₹ 16,676.84 Lakhs, ₹ 10,130.04 Lakhs and ₹ 30,403.90 Lakhs, respectively.
- (v) Details of changes in share capital of the Company since incorporation is as follows:

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)
December 12, 1956	103	100	100	Cash	Allotment to Subscribers of Memorandum & Articles of Association	103	10,300
March 29, 1957	6351	100	100	Cash	Allotment to Directors & their associates	6454	6,45,400
April 22, 1957	11,046	100	100	Cash	Allotment to Directors & their associates	17,500	17,50,000
November 7, 1957	15,000	100	100	Cash	Allotment to Messrs Farbenfabrika Bayer AG	32,500	32,50,000

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)
August 16, 1958	4201	100	100	Cash	Allotment to Directors & their associates	36,701	36,70,100
August 19, 1958	4356	100	100	Cash	Allotment to Directors & their associates	41,057	41,05,700
September 8, 1958	5485	100	100	Cash	Allotment to Directors & their relatives	46,542	46,54,200
September 23, 1958	3458	100	100	Cash	Allotment to Directors & their associates	50,000	50,00,000
November 6, 1958	15,000	100	100	Cash	Allotment to Messrs Farbwerke Hoechst AG	65,000	65,00,000
July 28, 1959	35,000	100	100	Cash	IPO	1,00,000	1,00,00,000
October 11, 1961	25,000	100	100	Cash	Rights Issue (1:5)	1,25,000	1,25,00,000
December 28, 1966	50,000	100	-	NA	Bonus Issue (2:5)	1,75,000	1,75,00,000
January 22, 1970	1,00,000	100	-	NA	Bonus Issue (4:7)	2,75,000	27500000
February 26, 1974	1,37,500	100	-	NA	Bonus Issue (1:2)	4,12,500	41,25,00,000
March 3, 1977	1,54,687	100	-	NA	Bonus Issue (3:8)	5,67,187	5,67,18,700
November 22, 1979	2,26,874	100	-	NA	Bonus Issue (2:5)	7,94,061	7,94,06,100
December 22, 1992	1,68,800	100	700	Cash	Preferential Allotment*	9,62,861	9,62,86,100
July 22, 1993	2,02,139	100	600	Cash	Rights Issue (1:5)	11,65,000	11,65,00,000
October 24, 2000		10			Subdivision of Face Value of ₹ 100 each to ₹ 10 each	1,16,50,000	11,65,00,000
May 2, 2006	1,50,10,745	10	10	NA	Pursuant to Scheme of Amalgamation ^	26,66,0745	26,66,07,450

* Preferential allotment was made to Hoechst AG, Germany.

^ Pursuant to Scheme of Amalgamation between Clariant (India) Limited, Vanavil Dyes and Chemicals Limited, BTP India Private Limited and Kundalika Investments Limited with Colour-Chem Limited approved by High Court, Bombay vide order dated March 17, 2006, the shares of the Company were allotted to the Shareholders of Clariant (India) Limited, Vanavil Dyes and Chemicals Limited and BTP India Private Limited in following ratio; (a) Shareholders of Clariant (India) Limited - 1:1; (b) Shareholders of Vanavil Dyes and Chemicals Limited - 1:5; (c) Shareholders of BTP India Private Limited - 1:5.

Note: Data with respect to allotments from 1959 -1993 are based on board resolutions of the Company.

(vi) There has been no change in the capital structure of the Company during the six months preceding the date of the Public Announcement.

(vii) The Details of the Board of Directors of the Company are as follows:

Name, Age and Occupation of the Director	Designation	Qualifications	Date of Appointment/ Reappointment	Other Directorships
Mr. Bharat V. Patel Age: 70 years Occupation: Business	Chairman, Independent Director	MA and MBA in Marketing	April 1, 2015	1. The India Society of Advertisers 2. Sasken Communication Technologies Limited 3. Sistema Shyam Tele Services Limited 4. Birla Sun Life Asset Management Company Limited 5. Broadcast Audience Research Council 6. Pantaloon Fashion & Retail Limited
Dr. Deepak Parikh Age: 54 years Occupation: Service	Vice- Chairman & Managing Director	Chemical Engineering and Ph.D in Polymer Science and Engineering	February 1, 2013	1. Sud Cheme India Private Limited 2. Clariant India Private Limited 3. Italtinto India Private Limited 4. Clariant South Africa (Pty) Limited 5. Clariant (Turkiye) Boya Kimyevi Maddeler ve Madencilik Sanayive Ticaret SE A.S
Mr. Y. H. Malegam Age: 81 years Occupation: Practising Chartered Accountant	Independent Director	Chartered Accountant	April 1, 2015	1. National Stock Exchange of India Limited 2. Siemens Limited 3. Bhartiya Reserve Bank Note Mudran Private Limited 4. Firstsource Solutions Limited 5. Western India Plywoods Limited
Dr. (Mrs.) Indu Shahani Age: 64 years Occupation: Principal	Independent Director	B.Com and Ph.D. in Commerce	April 1, 2015	1. Octopus Steel Private Limited 2. Bajaj Electricals Limited 3. Eureka Forbes Limited 4. Franklin Templeton Trustee Services Private Limited 5. Colgate- Palmolive (India) Limited 6. Lafarge India Private Limited 7. United Spirits Limited
Mr. Alfred Muench Age: 55 years Occupation: Service	Non- Executive Director	Attorney at Law	April 24, 2010	1. Clariant India Private Limited
Mr. Karl Holger Dierssen Age: 59 years Occupation: Service	Non- Executive Director	Master's degree in Economics & Business Administration & Commercial Black Belt	November 1, 2013	1. Sud Cheme India Private Limited
Mr. Mario Brocchi Age: 36 years Occupation: Service	Non- Executive Director	Graduate in Political Science with minor in Business Administration & Public Relations	April 24, 2015	1. Clariant (Singapore) Pte. Ltd

(viii) The details of changes in the Board of Directors during the last 3 years are as under:

Name of the Director	Appointment/Resignation	Effective Date	Reasons
Mr. B. L. Gaggar	Resignation	July 1, 2015	Retirement from the services of the Company.
Mr. Viktor Bernhardt	Resignation	February 12, 2015	Change in global role.
Mr. Mario Brocchi	Appointment	February 12, 2015	To fill in the casual vacancy caused by resignation of Mr. Viktor Bernhardt.
Mr. Bharat V. Patel	Appointment	October 30, 2014	To fill in the casual vacancy caused by resignation of Mr. R. A. Shah.
Mr. R. A. Shah	Resignation	September 30, 2014	Compliance with the new Companies Act, 2013 w.r.t. maximum Directorship.
Mr. Viktor Bernhardt	Appointment	February 26, 2014	To fill in the casual vacancy caused by resignation of Mr. Philipp Hammel.
Mr. Philipp Hammel	Resignation	February 26, 2014	Resignation.
Mr. Karl Holger Dierssen	Appointment	November 1, 2013	To fill in the casual vacancy caused by resignation of Mr. Henri Schloemer.
Mr. Henri Schloemer	Resignation	October 1, 2013	Resignation.
Mr. Y. H. Malegam	Appointment	July 16, 2013	To fill in the casual vacancy caused by resignation of Mr. Bansi S. Mehta.
Dr. (Mrs.) Indu Shahani	Appointment	July 16, 2013	To fill in the casual vacancy caused by resignation of Mr. Diwan Nanda.
Mr. Bansi S. Mehta	Resignation	July 16, 2013	Compliance with the new Companies Act, 2013 w.r.t. maximum Directorship.
Mr. Diwan A. Nanda	Resignation	July 16, 2013	Due to personal commitments.
Mr. Peter Palm	Resignation	April 27, 2013	Resignation.
Dr. Deepak Parikh	Appointment	February 1, 2013	To fill in the casual vacancy caused by resignation of Mr. Peter Palm.

(ix) The Buy Back will not result in any benefit to any directors/Promoters/person in control of the company/group companies except to the extent of their intention to participate in the Buy Back Offer and the change in their shareholding as per the response received in the Buy Back Offer, as a result of the cancellation of Equity Shares which will lead to a reduced Equity Share capital post Buy Back.

15. FINANCIAL INFORMATION ABOUT THE COMPANY

(i) The salient financial information of the Company as extracted from the audited results and the unaudited financials for the three months ended March 31, 2015:

(₹ in Lakhs)

Particulars	For the three months ended March 31, 2015 (Unaudited)	For the year ended December 31, 2014 (Audited)	For the year ended December 31, 2013 (Audited)	For the year ended December 31, 2012 (Audited)
Revenue from Operations (net)	23,398	104,600.34	124,785.76	109,628.21
Other Income	1,184	1,365.30	1,791.59	1,914.20
Total Income	24,582	105,965.64	126,577.35	111,542.41
Total Expense	22,241	102,146.35	112,699.55	95,929.54
Interest	22	112.80	179.94	141.52

Particulars	For the three months ended March 31, 2015 (Unaudited)	For the year ended December 31, 2014 (Audited)	For the year ended December 31, 2013 (Audited)	For the year ended December 31, 2012 (Audited)
Depreciation	1,105	3,323.74	2,344.68	2,160.35
Exceptional Items	-	(118,358.50)	(11,224.63)	(920.47)
Profit Before Tax	1,214	118,741.25	22,577.81	14,231.47
Provision for Tax (including Deferred Tax)	149	24,409.70	5,900.97	4,101.43
Profit After Tax	1,065	94,331.55	16,676.84	10,130.04
Paid-up Equity Share capital of the Company	2,666	2,666.07	2,666.07	2,666.07
Reserves & Surplus [#]	93,047	136,935.54	54,768.77	47,485.49
Net Worth [#]	95,713	139,601.61	57,434.84	50,151.56
Total Debt (excluding working capital loans)*	-	-	-	-

[#] Excluding Revaluation Reserves and Miscellaneous Expenditure to the extent not written off and includes exceptional items.

* As on March 31, 2015, the Company has no debt (excluding Working Capital Loans).

(ii) Financial Ratios basis are as under:

Particulars	For the three month ended March 31, 2015 (Unaudited) [@]	For the year ended December 31, 2014 (Audited)	For the year ended December 31, 2013 (Audited)	For the year ended December 31, 2012 (Audited)
Basic Earnings Per Share (EPS)	3.99	353.82	62.55	38.00
Diluted Earnings Per Share (EPS)	3.99	353.82	62.55	38.00
Debt Equity Ratio [#]	-	-	-	-
Book Value (₹ per share)	359.00	523.62	215.43	188.11
Return on Networth (In %)	1.11	67.57%	29.04%	20.20%
Total Debt/ Networth*	-	-	-	-

[@] Not Annualized

* As on March 31, 2015, the Company has no debt excluding working capital. Debt is excluding Working Capital Loans.

The Financial Ratios are computed as follow:

Key Ratios	Basis of Calculation
Basic Earnings per Share (₹)	Profit After Tax / Number of Equity Shares
Diluted Earnings per Share (₹)	Profit After Tax / Number of Equity Shares
Book value per Share (₹)	Net worth / Number of Equity Shares
Return on Net Worth	Profit After Tax / Net Worth

(iii) The Company shall comply with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, wherever and if applicable. The Company hereby declares that it has complied with section 68, 69 and 70 of the Companies Act, 2013 and will comply with regulation 23 of the Buy Back Regulations, as and when applicable.

16. STOCK MARKET DATA

- (i) The Equity Shares are listed and traded on BSE and NSE.
- (ii) The high, low and average market prices in preceding three calendar years and the monthly high, low and average market prices for the six months preceding the date of Public Announcement and the corresponding volumes on BSE and NSE are as follows:

BSE:

Period	High Price (₹)	Date of High Price & No. of shares traded on that date	Low Price (₹)	Date of Low Price & No. of shares traded on that date	Average Price (₹)	Total Volume Traded in the period (No. of shares)
PRECEDING 3 YEARS						
Calendar Year 2014	1055.00	October 16, 2014 9344	594.00	January 17, 2014 2258	782.00	2326268
Calendar Year 2013	671.90	December 13, 2013 226923	371.10	June 28, 2013 2907	516.52	2760772
Calendar Year 2012	683.70	April 03, 2012 14009	556.15	January 06, 2012 498	624.28	1237508
PRECEDING 6 MONTHS						
June 2015	879.75	June 19, 2015 6542	805.00	June 01, 2015 3758	840.30	112979
May 2015	855.05	May 04, 2015 12833	802.25	May 29, 2015 1775	820.39	101481
April 2015	1037.10	April 20, 2015 88588	815.00	April 01, 2015 3217	885.57	348920
March 2015	920.00	Mar 03, 2015 16939	797.60	March 27, 2015 6047	850.40	303271
February 2015	910.05	February 02, 2015 6944	825.95	February 26, 2015 5473	854.81	132001
January 2015	1185.00	January 15, 2015 62311	901.00	January 30, 2015 3565	1000.82	628159

(Source: www.bseindia.com)

NSE:

Period	High Price (₹)	Date of High Price & No. of shares traded on that date	Low Price (₹)	Date of Low Price & No. of shares traded on that date	Average Price (₹)	Total Volume Traded in the period (No. of shares)
Calendar Year 2014	1059.35	October 16, 2014 24588	488.40	February 11, 2014 31109	782.33	5252875
Calendar Year 2013	672.00	December 13, 2013 461910	371.10	June 28, 2013 7316	516.36	5071967
Calendar Year 2012	698.90	October 25, 2012 5198	554.40	January 05, 2012 1478	624.38	2038681
PRECEDING 6 MONTHS						
June 2015	880.00	June 19, 2015 52286	802.00	June 02, 2015 12147	841.40	486588
May 2015	867.75	May 04, 2015 43755	801.95	May 28, 2015 23338	819.85	374844
April 2015	1034.70	April 20, 2015 328511	819.00	April 01, 2015 6754	885.85	993806

Period	High Price (₹)	Date of High Price & No. of shares traded on that date	Low Price (₹)	Date of Low Price & No. of shares traded on that date	Average Price (₹)	Total Volume Traded in the period (No. of shares)
March 2015	919.50	March 03, 2015 41017	792.50	March 27, 2015 7215	851.25	330901
February 2015	914.00	February 02, 2015 16411	829.05	February 28, 2015 6882	854.68	303531
January 2015	1185.00	January 15, 2015 87247	900.45	January 30, 2015 13288	1001.32	1497087

(Source: www.nseindia.com)

Note: High and Low price for the period are based on intra day prices and Average Price is based on average of closing price.

- (iii) The closing market price of the Equity Shares on BSE and NSE as on April 16, 2015 being the working day previous to the day the Board recommended the proposal for Buy Back, was ₹865.15 and ₹ 866.30.
- (iv) The closing market price of the Equity Share on BSE and NSE as on April 23, 2015 being the working day immediately after the date of the resolution of the Board approving the buyback was ₹ 901.35 and ₹ 903.10.

17. DETAILS OF THE STATUTORY APPROVALS

- (i) The Buy-back is subject to approvals, if any, required under the provisions of the Companies Act, the Buy-Back Regulations, applicable rules and regulations as may specified by RBI under FEMA and/or such other applicable rules and regulations in force for the time being.
- (ii) As of date, there is no other statutory or regulatory approval pending to implement the Buy-back. If any statutory or regulatory approval becomes applicable subsequently, the Buy-Back will be subject to such statutory or regulatory approvals. In the event that the receipt of the statutory / regulatory approvals are delayed, changes to the proposed timetable, if any, shall be intimated to the Stock Exchanges, and hence made available for the benefit of Equity Shareholders.

18. DETAILS OF THE REGISTRAR TO THE BUY BACK

REGISTRAR TO THE BUY BACK:

Plot No 13 AB, Samhita Warehousing Complex,
2nd floor, Sakinaka Telephone Exchange Lane,
Off. Andheri - Kurla Road, Sakinaka, Andheri (East)
Mumbai, Maharashtra, 400072

Tel.: +91 22 67720400

Fax: +91 22 28591568

Contact Person: Mr. Anand Moolya

E-mail: offer@shareproservices.com

Website: www.shareproservices.com

THE TENDER FORM AND OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT TO THE COMPANY OR TO THE MANAGER TO THE BUY BACK OFFER.

19. PROCESS AND METHODOLOGY FOR THE BUY BACK

- (i) The Company proposes to Buy Back not exceeding 35,78,947 Equity Shares from the Equity Shareholders as on the Record Date, on a proportionate basis, through the Tender Offer route at a price of ₹ 950/- (Rupees Nine Hundred and Fifty only) per Equity Share, payable in cash for an aggregate amount of ₹ 340,00,00,000/- (Rupees Three Hundred Forty Crores only). The maximum number of Equity Shares proposed to be bought back represents 13.42% of the total paid-up Equity Share capital of the Company. The Buy Back is in accordance with the provisions of Sections 68, 69 and 70(1) and all other applicable provisions, if any, of the Companies Act and in accordance with Article 8A of the Articles of Association of the Company, and subject to Regulation and other applicable provisions contained in the Buy Back Regulations and such other approvals, permissions and exemptions as may be required, from time

to time from statutory authorities and/or regulatory authorities, including but not limited to SEBI, BSE, NSE, RBI, etc. The Buy Back Size is 24.51% of the fully paid-up Equity Share capital and free reserves as per the audited accounts of the Company for the financial year ended December 31, 2014 (the last audited financial statements available as on the date of the Board meeting approving the Buy Back).

- (ii) The aggregate shareholding of the Promoter and Promoter Group is 1,69,02,080 Equity Shares which represents 63.40% of the existing Equity Share capital of the Company. In terms of the Buy Back Regulations under the tender offer method, the promoters of a company have the option to participate in the buy back. In this regard, EBITO Chemiebetteilungen AG, Clariant International Ltd and Clariant Participations Ltd vide their letters dated April 22, 2015, have expressed their intention to participate in the Buyback to such an extent that the combined shareholding of Promoter/Promoter Group in the Company post Buyback remains atleast 51.00% of the post Buyback equity share capital of the Company.
- (iii) Assuming response to the Buy Back is to the extent of 100% (full acceptance) from all the Equity Shareholders upto their Buy Back Entitlement, the aggregate shareholding of the Promoters and Promoter Group post the Buy Back will increase from 63.40%, to 64.24% of the post Buy Back Equity Share capital of the Company. Also, if none of the public shareholders participate and only the Promoters participate to the extent of their Buy Back Entitlement, their shareholding will reduce to 60.31%. Accordingly, the provisions as contained in regulation 10(3) and regulation 10(4) (c) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 will not be applicable.
- (iv) Record Date and Ratio of Buy Back as per the Buy Back Entitlement in each Category:
 - (a) The Company has announced July 20, 2015 as Record Date for the purpose of determining the Buy Back Entitlement and the names of the Equity Shareholders, who are eligible to participate in the Buy Back.
 - (b) The Equity Shares to be bought back as a part of this Buy Back is divided into two categories:
 - (i) Reserved category for Small Shareholders ("**Reserved Category**"); and
 - (ii) General Category for other Eligible Persons ("**General Category**").
 - (c) As defined in the Buy Back Regulations, Small Shareholder includes a shareholder, who holds shares whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on Record Date, is not more than Two Lakhs Rupees. As on Record Date, the closing price on NSE was ₹ 842.35.
 - (d) Based on the above definition, there are 30,794 Small Shareholders in the Company with aggregate shareholding of 18,81,256 Equity Shares as on Record Date, which constitutes 7.06% of the outstanding number of Equity Shares of the Company and 52.56% of the Maximum Number of Equity Shares which the Company proposes to buy back as a part of this Buy Back.
 - (e) In compliance with Regulation 6 of the Buy Back Regulations, the reservation for the Small Shareholders, will be higher of:
 - (i) Fifteen percent of the number of Equity Shares which the Company proposes to Buy Back i.e. 15% of 35,78,947 Equity Shares which works out to 5,36,842 Equity Shares; or
 - (ii) The number of Equity Shares entitled as per their shareholding as on Record Date [i.e. (35,78,947/2,66,60,745)*18,81,256] which works out to be 2,52,540 Equity Shares.
 - 1. All the outstanding Equity Shares have been used for computing the Buy Back Entitlement of Small Shareholders since the Promoters and Promoter Group also intends to offer Equity Shares held by them in the Buy Back.
 - 2. Based on the above and in accordance with Regulation 6 of the Buy Back Regulations, 5,36,842 [(Rounded off)] Equity Shares have been reserved for Small Shareholders. Accordingly, General Category for all other Equity Shareholders shall consist of 30,42,105 Equity Shares.

- (f) Based on the above Buy Back Entitlements, the ratio of Buy Back for both categories is decided as below:

Category of Shareholders	Ratio of Buy Back
Reserved category for Small Shareholders	232 Equity Shares out of every 813 fully paid-up Equity Shares held on the Record Date
General category for all other Equity Shareholders	55 Equity Shares out of every 448 fully paid-up Equity Shares held on the Record Date

(v) **Fractional Entitlements:**

If the Buy Back Entitlement under Buy Back, after applying the abovementioned ratios to the Equity Shares held on Record Date, is not a round number (i.e. not in the multiple of 1 Equity Share), then the fractional entitlement shall be ignored for computation of Buy Back Entitlement to tender Equity Shares in the Buy Back for both categories of Eligible Persons.

On account of ignoring the fractional entitlement, those Small Shareholders who hold 3 or less Equity Shares as on Record Date will be dispatched a Tender Form with zero entitlement. Such Small Shareholders are entitled to tender Additional Equity Shares as part of the Buy Back Offer and will be given preference in the Acceptance of one Equity Share, if such Small Shareholders have tendered for Additional Equity Shares.

(vi) **Basis of Acceptance of Equity Shares validly tendered in the Reserved Category for Small Shareholders:**

Subject to the provisions contained in the Letter of Offer, the Company will accept the Equity Shares tendered in the Buy Back by the Small Shareholders in the Reserved Category in the following order of priority:

- (a) Acceptance of 100% Equity Shares from Small Shareholders in the Reserved Category, who have validly tendered their Equity Shares to the extent of their Buy Back Entitlement or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the acceptance as described in Clause 19 (vi) (a) above, in case there are any Equity Shares left to be bought back from Small Shareholders in the Reserved Category, the Small Shareholders who were entitled to tender zero Equity Shares (on account of ignoring the fractional entitlement), and have tendered Additional Equity Shares as part of the Buy Back, shall be given preference and one share each from the Additional Equity Shares applied by these Small Shareholders shall be bought back in the Reserved Category.
- (c) Post the acceptance as described in Clause 19 (vi) (a) and 19 (vi) (b) case there are any Equity Shares left to be bought back in the Reserved Category, the Additional Equity Shares tendered by the Small Shareholders over and above their Buy Back Entitlement, shall be accepted in proportion of the Additional Equity Shares tendered by them and the Acceptances per Small Shareholders shall be made in accordance with the Buy Back Regulations, i.e. valid Acceptances per Small Shareholder shall be equal to the Additional Equity Shares validly tendered by the Small Shareholder divided by the total Additional Equity Shares validly tendered and multiplied by the total pending number of Equity Shares to be accepted in Reserved Category. For the purpose of this calculation, the Additional Equity Shares taken into account for such Small Shareholders, from whom one Equity Share has been Accepted in accordance with clause 19 (vi) (b) above, shall be reduced by one.
- (d) Adjustment for fractional results in case of proportionate Acceptance, as described in Clause 19 (vi) (c) above:
 - (i) For any Small Shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (ii) For any shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

(vii) **Basis of Acceptance of Shares validly tendered in the General Category:**

Subject to the provisions contained in the Letter of Offer, the Company will accept the Equity Shares tendered in the Buy Back by all other Eligible Persons in the General Category in the following order of priority:

- (a) Acceptance of 100% Equity Shares from other Eligible Persons in the General Category who have validly tendered their Equity Shares, to the extent of their Buy Back Entitlement, or the number of Equity Shares tendered by them, whichever is less.
- (b) Post the Acceptance as described in Clause 19 (vii) (a) above, in case there are any Equity Shares left to be bought back in the General Category, the Additional Equity Shares tendered by the other Eligible Persons over

and above their Buy Back Entitlement shall be Accepted in proportion of the Additional Equity Shares tendered by them and the acceptances per shareholder shall be made in accordance with the Regulations, i.e. valid acceptances per shareholder shall be equal to the Additional Equity Shares validly tendered by the Eligible Persons divided by the total Additional Equity Shares validly tendered in the General Category and multiplied by the total pending number of Equity Shares to be Accepted in General Category.

- (c) Adjustment for fractional results in case of proportionate acceptance as described in Clause 19 (vii) (b) above:
 - (i) For any Eligible Person, if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (ii) For any Eligible Person if the number of Additional Equity Shares to be accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

(viii) Basis of Acceptance of Equity Shares between Categories

- (a) In case there are any Equity Shares left to be bought back in one category (“Partially filled Category”) after Acceptance in accordance with the above described methodology for both the categories, and there are additional unaccepted validly tendered Equity Shares in the second category, then the Additional Equity Shares in the second category shall be Accepted proportionately, i.e. valid Acceptances per Eligible Person shall be equal to the additional outstanding Equity Shares validly tendered by a Eligible Person in the second category divided by the total additional outstanding Equity Shares validly tendered in the second category and multiplied by the total pending number of Equity Shares to be bought back in the partially filled category.
- (b) If the partially filled category is the General Category, and the second category is the reserved category for Small Shareholders, then for the purpose of this calculation, the Additional Equity Shares tendered by such Small Shareholders, from whom one Equity Share has been Accepted in accordance with clause 19 (vi) (b) shall be reduced by one.
- (c) Adjustment for fraction results in case of proportionate Acceptance, as defined in clause 19(vii) (a) above:
 - (i) For any shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer.
 - (ii) For any shareholder, if the number of Additional Equity Shares to be Accepted, calculated on a proportionate basis is not in the multiple of 1 and the fractional Acceptance is less than 0.50, then the fraction shall be ignored.

(ix) For avoidance of doubt, it is clarified that:

- (a) the Equity Shares Accepted under the Buyback from each Eligible Person, in accordance with clauses above, shall not exceed the number of Equity Shares tendered by the respective Eligible Person;
- (b) the Equity Shares Accepted under the Buyback from each Eligible Person, in accordance with clauses above, shall not exceed the number of Equity Shares held by respective Eligible Person as on the Record Date; and
- (c) the Equity Shares tendered by any Eligible Person over and above the number of Equity Shares held by such Eligible Person as on the Record Date shall not be considered for the purpose of Acceptance in accordance with the clauses above.

20. PROCEDURE FOR TENDER OFFER AND SETTLEMENT

A. GENERAL

- (i) The Buy Back is open to all Eligible Persons.
- (ii) The Company proposes to effect the Buy Back through a tender offer method, on a proportionate basis. The Letter of Offer and Tender Form, outlining the terms of the Buy Back as well as the detailed disclosures as specified in the Buy Back Regulations, will be mailed to Eligible Persons.
- (iii) The Company will not accept any Equity Shares offered for Buy Back which are under any restraint order of a court for transfer/sale of such shares.

- (iv) The Company shall comply with Regulation 19(5) of the Buy Back Regulations which states that the Company shall not Buy Back the locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable.
- (v) The Company shall accept all the Equity Shares validly tendered for the Buy Back by Eligible Persons, on the basis of their Buy Back Entitlement as on the Record Date.
- (vi) As elaborated under clause 19(iv) above, the Equity Shares proposed to be bought as a part of the Buy Back is divided into two categories; (a) Reserved Category for Small Shareholders and (b) the General Category for other Eligible Persons, and the Buy Back Entitlement of an Eligible Person in each category shall be calculated accordingly.
- (vii) After Accepting the Equity Shares tendered on the basis of Buy Back Entitlement, Equity Shares left to be bought as a part of the Buy Back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered, over and above their Buy Back Entitlement, by Eligible Persons in that category, and thereafter, from Eligible Persons who have tendered over and above their Buy Back Entitlement, in other category.
- (viii) The non-receipt of the Letter of Offer by, or accidental omission to dispatch the Letter of Offer to any person who is eligible to receive the Offer, shall not invalidate the Offer to any person who is eligible to receive this Offer. In case of non-receipt of the Letter of Offer, Eligible Persons holding shares as on record date may participate in the offer by providing their application in plain paper in writing signed by all shareholder, stating name, address, number of shares held, Client id number, DP name, DP id number, number of shares tendered and other relevant documents such as physical share certificate and Form SH 4 in case of shares being held in physical form. Eligible Person(s) have to ensure that their bid is entered in the electronic platform to be made available by the Recognized Stock Exchange before the closure of the Offer.

B. PROCESS AND METHODOLOGY

a. PROCESS

The Buy-Back Offer is open to all Shareholders holding Equity Shares as on Record Date .i.e. July 20, 2015 in physical form ("Physical Shares") and beneficial owners holding Equity Shares in dematerialised form ("Demat Shares").

The Buy-Back Offer will be implemented by the Company through the Stock Exchange mechanism, as provided under the Buy Back Regulations and circular no CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 issued by Securities and Exchange Board of India.

For the implementation of the BuyBack Offer, the Company has appointed Axis Capital Limited as the registered broker ("Company's Broker") through whom the purchases and settlements on account of the Buy Back Offer would be made by the Company. The contact details of the Company's Broker is as follows:

Axis Capital Limited

5th Floor, Axis House, C-2 Wadia International Centre,

P. B. Marg, Worli, Mumbai - 400 025

Tel: (91 22) 4325 2525

Fax: (91 22) 4325 5599

Contact Person: Mr. Ram Shinde

b. METHODOLOGY

a) Placing of orders

- i. The placing of orders on the exchange system shall be as per the trading hours of the secondary market. Eligible Person(s) who desire to tender their Equity Shares in the electronic form under the Buyback would have to do so through their respective seller member by indicating to their broker the details of Equity Shares they intend to tender under the buyback. Shareholders holding physical Equity shares and intend to participate in the buyback will be required to approach the seller member along with complete set of documents for verification procedures to be carried out including the (i) original share certificate (ii) valid share transfer form(Form SH-4) duly filled in and signed by the transferors i.e by all registered shareholders in same order and as per the specimen signature registered with the Company/Registrar (iii) self-attested copy of PAN card (iv) any other relevant document such as power of attorney, corporate authorisation, death certificate / succession certificate, if the original shareholder has deceased. etc, as applicable. In case the address of the Eligible Person(s) has undergone a change from the address registered in the Register of Members of the Company, the Eligible Person(s) would be required to

submit a self –attested copy of address proof consisting of any one of the following documents: valid Aadhar card, Voter Identity or passport.

- ii. Separate Acquisition Window will be provided by the Recognised Stock Exchanges to facilitate placing of sell orders. The details of the platform will be as specified by the Recognised Stock Exchanges from time to time.
- iii. All eligible sellers through their respective stock brokers (Trading Members) will be eligible to place orders in the “Acquisition Window”.
- iv. During the tendering period, the trading members will have to ensure that the order for selling the shares is placed on behalf of eligible sellers. During order entry, members can enter orders for demat as well as physical shares.
- v. For orders for Demat Shares (except for Custodian Participant orders) early pay-in of securities is mandatory prior to placing of order and same shall be validated at the time of order entry. In this regard the Eligible Person(s) should ensure that give the Delivery Instruction Slip to their respective Depository participant requesting them to make the tendered shares available to their seller member as early pay- in of securities.
- vi. For Custodian Participant orders for Demat Shares early pay-in is mandatory prior to confirmation of order by custodian.
- vii. In case of Custodian Participant, orders the custodians shall either confirm or reject orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- viii. For orders for physical shares the seller member(s) should place bids on the Acquisition Window with relevant details as mentioned on physical share certificate(s). The seller member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No. Dist. Nos., No. of shares, etc.
- ix. The seller member(s)/ custodian has to deliver the Physical Share certificate & documents mentioned in Point 20 B (b) (a) (i) above along with TRS to the Registrar and Transfer Agent (“RTA”). at the address given below in point 27 by registered post, speed post or courier or hand delivery. Physical Share Certificates will have to reach RTA within 2 days from the closing of the Buy Back by seller member(s) / custodian. The envelope should be scribed as “Clariant Buy Back Offer 2015” One copy of the TRS will be retained by RTA and RTA to provide acknowledgement of the same to the seller member / custodian.
- x. In case of orders for physical shares, verification of physical certificates shall be done by the RTA on a daily basis and till such time the Recognised Stock Exchanges shall display such quantity as “unconfirmed physical bids”. As and when the RTA confirms the records, such bids will then be treated as “confirmed bids.” Please note that physical Equity Shares will not be accepted unless the complete set of documents is submitted.
- xi. Modification / cancellation of orders will be allowed during the period the Buy Back is open.
- xii. The cumulative quantity tendered shall be made available on the websites of the Recognised Stock Exchanges throughout the trading session and will be updated at specific intervals during the tendering period.

b) Acceptance of orders

- i. RTA shall provide details of order acceptance to Clearing Corporation within specified timelines.

c) Settlement of Shares

- i. Trading Members should use the settlement number to be provided by the clearing corporation to transfer the shares in favour of clearing corporation.
- ii. The pay out of the shares shall be made to the securities pool account of the buying member.
- iii. The direct credit of shares shall be given to the escrow demat account of the Company provided it is indicated by the Company’s Broker. For the same, the existing facility of client direct pay-out in the capital market segment shall be available.
- iv. Once the basis of acceptance is finalised, the Clearing Corporation (ICCL) would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirer.

- v. In case of partial or non-acceptance of orders or excess pay-in, Demat Shares shall be released to the securities pool account of the selling member/ custodian.
 - vi. Any excess physical shares pursuant to acceptance or allotment or rejection will be released back to the investors directly by the registrar to the offer.
- d) Settlement of Funds/Payment Consideration**
- i. The settlements of fund obligation for demat and physical shares shall be effected through existing settlement accounts of trading members.
 - ii. Funds shall be made to the settlement account of the trading members who have entered the sell order for Eligible Person(s).
 - iii. Eligible Person(s) who intend to participate in the Buy Back should consult their respective seller member for payment to them of any cost, charges and expenses(including brokerage) that may be levied by the seller member upon the Eligible Person(s) for tendering Equity Shares in the Buy Back (secondary market transaction). The Buy Back consideration, to be received by Eligible Person(s), in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses(including brokerage) incurred solely by the Eligible Person(s).
- e) Special Account opened with the Clearing Corporation**
- i. The details of transfer of Demat Shares to Special account of Clearing Corporation by Trading member/ Custodian shall be informed in the issue opening circular that will be issued by the Recognized Stock Exchange / Clearing Corporation.
- f) Rejection Criteria**
- The shares tendered by Eligible Person(s) would be liable to be rejected on the following grounds:
- 1. For shareholders holding shares in the dematerialized form if
 - a. the Shareholder is not a shareholder of the Company as on the Record date or
 - b. if there a name mismatch in the demat account of the Shareholder or
 - 2. For shareholders holding shares in the physical form if
 - a. The documents mentioned in Instruction number 3 and 4 of the Tender Form for physical shareholders are not received by the Registrar before the close of business hours to the Registrar on or before Friday, October 9, 2015 by 5:00 PM;
 - b. If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
 - c. If the transmission of shares is not completed, and the shares are not in the name of the Eligible Person(s);
 - d. If the Eligible Person(s) bid the shares but the RTA does not receive the physical share certificate;
 - e. Incase the signature in the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar.

21. NOTE ON TAXATION

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if securities transaction tax (“**STT**”) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold will be subject to short term capital gains tax @ 15% provided the transaction is chargeable to STT.

SHAREHOLDERS ARE ADVISED TO CONSULT THEIR TAX ADVISORS FOR TAX TREATMENT ARISING OUT OF THE PROPOSED BUY BACK THROUGH TENDER OFFER AND APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE. THE PURCHASER DOES NOT ACCEPT NOR HOLD ANY RESPONSIBILITY FOR ANY TAX LIABILITY ARISING TO ANY SHAREHOLDER AS A REASON OF THIS BUY BACK.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES.

22. DECLARATION BY THE BOARD OF DIRECTORS

Declaration as required under clause (ix) and clause (x) of Part A of Schedule II to the Buy Back Regulations:

The Board confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.

The Board confirms that based on a full enquiry conducted into the affairs and prospects of the Company and taking into account all the liabilities including prospective and contingent liabilities payable as if the Company were being wound up under the Companies Act, the Board have formed an opinion that:

- (a) Immediately following the date of the Letter of Offer, there are no grounds on which the Company could be found unable to pay its debts;
- (b) As regards the Company's prospects for the year immediately following the date of the Letter of Offer that, having regard to the Board's intention with respect to the management of Company's business during the said year and to the amount and character of the financial resources, which will be available to the Company during the said 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 that date.

This declaration is made and issued by the Buyback Committee under the authority of the Board in terms of the resolution passed at the meeting held on September 9, 2015.

For and on behalf of the Board of Directors of Clariant Chemicals (India) Limited,

Sd/-

Dr. Deepak Parikh

Vice Chairman and Managing Director

Sd/-

Dr. (Mrs.) Indu Shahani

Independent Director

23. AUDITORS CERTIFICATE

The text of the report dated April 22, 2014 received from Price Waterhouse Chartered Accountants LLP , the Statutory Auditors of the Company addressed to the Board of Directors is given below:

Quote

"April 22, 2015

The Board of Directors

Clariant Chemicals (India) Limited

Reliable Tech Park, Reliable Plaza, Behind Reliable Plaza,

Thane Belapur –Road, Airoli, Navi Mumbai – 400 708.

Auditors' Report on Buy Back of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998

1. *This report is issued in accordance with our agreement dated April 21, 2015.*
2. *We have been engaged by Clariant Chemicals (India) Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of Section 68 and 70 of the Companies Act, 2013 (the "Act") and regulations as specified in the 'Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998' and amendments thereto (the "Regulations") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations.*

Board of Directors Responsibility

3. *The Board of Directors of the Company is responsible for the following:*
 - i) *The amount of capital payment for the buy-back is properly determined; and*
 - ii) *It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot will be declared.*

Auditor's Responsibility

4. *Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following "Reporting Criteria":*
 - i. *whether the amount of capital payment for the buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act; and*

- ii. *whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date on which the results of the postal ballot will be declared.*
5. *A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:*
- i) *Examined authorisation for buy back from the Articles of Association of the Company;*
 - ii) *Examined that the amount of capital payment for the buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;*
 - iii) *Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buy-back;*
 - iv) *Examined that all the shares for buy-back are fully paid-up;*
 - v) *Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the year ended December 31, 2014 (the "Audited Financial Statements") which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;*
 - vi) *Examined minutes of the meetings of the Board of Directors;*
 - vii) *Examined Directors' declarations for the purpose of buy-back and solvency of the Company; and*
 - viii) *Obtained appropriate representations from the Management of the Company.*
6. *We conducted our examination in accordance with the Guidance Note on Special Purpose Audit Reports and Certificates.*
7. *The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated February 12, 2015.*

Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

Opinion

8. *As a result of our performance of aforementioned procedures, we report that:*
- i. *The amount of capital payment of ₹ 34,000 Lakhs for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on April 22, 2015, which we have initialled for identification, is within the permissible capital payment of ₹ 34,683.50 Lakhs calculated based on the Audited Financial Statements, which, in our opinion, is properly determined; and*
 - ii. *The Board of Directors in their meeting held on April 22, 2015 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date on which the results of the postal ballot for buyback will be declared.*

Restrictions on Use

9. *Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.*
10. *This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in (a) Explanatory statement to be included in the postal ballot notice to be circulated to the shareholders and (b) the Public Announcement to be made to the shareholders of the Company, both of which will be filed with (a) Securities and Exchange Board of India, (b) the BSE Limited, (c) the National Stock Exchange of India Limited, (d) the Registrar of Companies as required by the Regulations, (e) the National Securities Depository Limited and the Central Depository Services (India) Limited for the purpose of extinguishment of equity shares, (f) the merchant bankers for the purpose of buyback (g) Reserve Bank*

of India (along with documents to be filled for obtaining necessary clearance for buy back from Non Resident Indian) and with (h) other regulatory agency with our prior approval and should not be used for any other purpose. Price Waterhouse Chartered Accountants LLP does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, explanatory statement to be included in the postal ballot notice or Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pradip Kanakia
Partner
Membership Number: 39985

Place : Mumbai
Date: April 22, 2015”

Annexure I - Statement of Permissible Capital Payment for Buyback of Equity Shares:

Particulars	As at December 31, 2014 (₹ in Lakhs)
Share Capital -Subscribed and Paid up	2,666.07
Free Reserves	
-Share Premium Account	3,545.65
-General Reserves	40,946.63
-Profit and Loss Account	91,575.65
TOTAL	1,38,734.00
Maximum amount permissible for buyback i.e 25% of the total paid up capital and free reserves	34,683.50

For and on behalf of Clariant Chemicals (India) Limited

Mr. B.L. Gaggar
Executive Director Finance & Company Secretary

Unquote

24. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Registered Office of the Company at Reliable Tech Park, Thane-Belapur Road Airoli, Navi Mumbai – 400708 between 10:00 a.m. and 5.00 p.m. on all working days (Monday to Friday) during the offer period:

- (i) Certificate of Incorporation of the Company.
- (ii) Memorandum and Articles of Association of the Company.
- (iii) Annual reports of the Company for the financial years ended December 31, 2014, 2013 and 2012.
- (iv) Copy of resolution passed by the Board of Directors at their meeting held on April 22, 2015 recommending the proposal of the Buy Back.
- (v) Certificate dated April 22, 2015 received from Price Waterhouse Chartered Accountants LLP, the Statutory Auditors of the Company, in terms of clause (xi) of Part A to Schedule II of the Buy Back Regulations.
- (vi) Copy of the Notice to the Equity Shareholders along with Explanatory Statement dated May 18, 2015.
- (vii) Copy of special resolution passed by the Equity Shareholders of the Company through postal ballot, the results of which were announced on July 8, 2015.

- (viii) Certificate from M/s. P.C. Limaye & Co. dated July 9, 2015 certifying that the Company has made firm financing arrangements for fulfilling the obligations under the Buy Back, in accordance with the Regulations.
- (ix) Copy of Public Announcement dated July 9, 2015 published in the newspapers on July 10, 2015 regarding Buy Back.
- (x) Copy of Declaration of Solvency and an affidavit verifying the same as per Form 4A of the Companies (Central Governments) General Rules and Forms, 1956.
- (xi) Copy of Escrow Agreement dated July 14, 2015 between Clariant Chemicals (India) Limited, Axis Capital Limited and ICICI Bank Limited.
- (xii) Confirmation letter by the banker dated July 16, 2015 that the Escrow Account has been opened.
- (xiii) SEBI comments *vide* letter no. CFD/DCR1/OW/25763/2015 dated September 8, 2015 issued in terms of the Buy Back Regulations.

25. DETAILS OF THE COMPLIANCE OFFICER

Ms. Ameet Joshi,

Company Secretary & Compliance Officer,
Clariant Chemicals (India) Limited,
Reliable Tech Park, Thane – Belapur Road, Airoli,
Navi Mumbai – 400708.

Tel: +91 22 7125 1000; Fax: +91 7125 1201

Email: investor.relations_india@clariant.com

Investors may contact the Compliance Officer for any clarification or to address their grievances, if any, during office hours i.e. 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays.

26. DETAILS OF THE REMEDIES AVAILABLE TO THE EQUITY SHAREHOLDERS

- (i) In case of any grievances relating to the Buy Back (e.g. non-receipt of the Buy Back consideration, share certificate, demat credit, etc.), the investor can approach the Compliance Officer of the Manager to the Buy Back at compliance@axiscap.in and/or Registrar to the Buy Back and/or Compliance Officer of the Company for redressal.
- (ii) If the Company makes any default in complying with the provisions of Section 68,69,70, the Company or any officer of the Company who is in default shall be punishable with imprisonment for a term and its limit, or with a fine and its limit or with both in terms of the Companies Act, as the case may be.
- (iii) The address of the concerned office of the Registrar of Companies is as follows:

The Registrar of Companies, Mumbai

100, Everest Marine Drive;

Mumbai- 400002.

27. DETAILS OF INVESTOR SERVICE CENTRE

In case of any query, the Equity Shareholders may contact the Registrar & Transfer Agent of the Company on any day except holidays between 10.00 a.m. and 5.00 p.m. at the following address:



Sharepro Services (India) Private Limited

Plot No 13 AB, Samhita Warehousing Complex,
2nd floor, Sakinaka Telephone Exchange Lane,
Off. Andheri Kurla Road, Sakinaka, Andheri (East)
Mumbai, Maharashtra, 400072

Tel.: +91 22 67720400

Fax: +91 22 28591568

Contact Person: Mr. Anand Moolya

E-mail: offer@shareproservices.com

Website: www.shareproservices.com

28. DETAILS OF THE MANAGER TO THE BUY BACK

The Company has appointed the following as Manager to the Buy Back:



Axis Capital Limited

1st Floor, Axis House, C-2 Wadia International Centre,
P.B. Marg, Worli, Mumbai 400 025, Maharashtra, India

Tel.: +91 22 4325 2183

Fax: +91 22 4325 3000

Email: ccil@axiscap.in

Website: www.axiscapital.co.in

Contact Person: Ms. Simran Gadh

SEBI Regn. No.: INM000012029

29. DECLARATION BY THE DIRECTORS REGARDING AUTHENTICITY OF THE INFORMATION IN THE LETTER OF OFFER

As per Regulation 19(1)(a) of the Buy Back Regulations, the Directors of the Company accept full responsibility for the information contained in this Letter of Offer. This Letter of Offer is issued by the Buyback Committee under the authority of the Board and in terms of the resolution passed by the Board on April 22, 2015.

For and on behalf of the Board of Directors of Clariant Chemicals (India) Limited

Sd/-

Dr. Deepak Parikh

Vice Chairman & Managing Director

Sd/-

Dr. (Mrs.) Indu Shahani

Independent Director

Place: Navi Mumbai

Date: September 9, 2015

Enclosure:

1. Tender Form for Equity Shareholders holding Equity Shares in Dematerialised Form
2. Tender Form for Equity Shareholders holding Equity Shares in Physical Form along with Form SH 4

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM)**

Date : _____

BUY BACK OPENS ON	:	Tuesday, September 22, 2015
BUY BACK CLOSSES ON	:	Wednesday, October 07, 2015

For Registrar	
Inward No.	
Date	
Stamp	

Status: Please tick appropriate box		
Individual	<input type="checkbox"/>	Mutual Fund
Insurance Companies	<input type="checkbox"/>	Other QIBs
Company	<input type="checkbox"/>	Other NIB
Foreign Institutional Buyer	<input type="checkbox"/>	Financial Institution

To,

Board of Directors

Clariant Chemicals (India) Limited

C/o. Sharepro Services (India) Private Limited

(Unit: Clariant Chemicals (India) Limited - Buy Back)

Plot No 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane,
Off Andheri-Kurla Road, Sakinaka, Mumbai, Maharashtra - 400072

Tel.: +91 22 67720400 **Fax:** +91 22 28591568

Dear Sirs,

Sub: Letter of Offer dated September 9, 2015 to Buy Back not exceeding 35,78,947 Equity Shares of Clariant Chemicals (India) Limited (the "Company") at a price of ₹ 950/- (Rupees Nine Hundred and Fifty only) per Equity Share (the "Buy Back Offer Price") payable in cash.

Dear Sirs,

- I/We (having read and understood the Letter of Offer dated September 9, 2015) hereby tender / offer my / our Equity Shares in response to the Buy Back on the terms and conditions set out below and in the Letter of Offer.
- I / We authorise the Company to Buy Back the Equity Shares offered (as mentioned below) and as a consequence to extinguish the share certificates.
- I / We hereby affirm that the Equity Shares comprised in this tender / offer are offered for Buy Back by me / us free from all liens, equitable interest, charges and encumbrance.
- I / We declare that there are no restraints / injunctions or other order(s) of any nature which limits / restricts in any manner my / our right to tender Equity Shares for Buy Back and that I / we am / are legally entitled to tender the Equity Shares for Buy Back Offer.
- I / We agree that the Company is not obliged to accept any Equity Shares offered for Buy Back where loss of share certificates has been notified to the Company.
- I / We agree that the Company will pay the Buy Back Price only after due verification of the validity of the documents and that the consideration will be paid as per secondary market mechanism.
- I / We undertake to return to the Company any Buy Back consideration that may be wrongfully received by me / us.
- I / We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my / our tender / offer and agree to abide by any decision that may be taken by the Company to effect the Buy Back in accordance with the Companies Act, the New Companies Act and the Buy Back Regulations.
- I / We authorize the Company to split the Share Certificate and issue new consolidated Share Certificate for the unaccepted Equity shares in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy Back.
- Details of Equity Shares held and tendered / offered for Buy Back:

	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares Entitled for Buy Back (Buy Back Entitlement)		
Number of Equity Shares offered for Buy Back		

Note: An Equity Shareholder may tender Equity Shares over and above his / her Buy Back Entitlement. Number of Shares validly tendered by any Equity Shareholder up to the Buy Back Entitlement of such Equity Shareholder shall be accepted to the full extent. The Shares tendered by any Equity Shareholder over and above the Buy Back Entitlement of such Equity Shareholder shall be accepted in accordance with Paragraph 19 of the Letter of Offer. Equity Shares tendered by any Eligible Person over and above the number of Equity Shares held by such Eligible Person as on the Record Date shall not be considered for the purpose of Acceptance. The signature on the Transfer deed (Form SH 4) should match with the signature recorded / registered with the records of the Company / Registrar.

----- Tear along this line -----

**Acknowledgement Slip
Clariant Chemicals (India) Limited – Buy Back
(to be filled by the Eligible Person) (subject to verification)**

Received from Mr./Ms./M/s. _____ Ledger Folio No. _____

No. of Share Certificate submitted _____, No. of Equity Shares offered for Buy Back (In Figures) _____

(In Words) _____ Please quote Ledger Folio No. for all future correspondence

STAMP OF BROKER

11. Details of Share Certificate(s) enclosed:

Total No. of Share Certificates Submitted _____

Sr. No.	Folio No.	Share Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
1					
2					
3					
4					
Total					

In case the number of folios and share certificates enclosed exceed 4 nos., Please attach a separate sheet giving details in the same format as above.

12. Details of other Documents (Please ✓ as appropriate, if applicable) enclosed:

	Power of Attorney Clariant Chemicals (India) Limited		Previous RBI approvals for acquiring the Equity Shares of Clariant Chemicals (India) Limited hereby tendered in the Buyback Offer
	Corporate authorisations		Death Certificate
	Succession Certificate		Self attested copy of Permanent Account Number (PAN Card)
	Others (please specify) : _____		

13. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of The Holder				
Signature(s)*				
PAN No.				
Address of the First/ Sole Equity Shareholder				
Telephone No. / Email ID				

* Corporate must affix rubber stamp

INSTRUCTIONS

- This Offer will open on September 22, 2015 and close on October 7, 2015.
- This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
- Eligible Persons who wish to tender their Equity Shares in response to this Buy Back Offer should deliver the following documents so as to reach before the close of business hours to the Registrar (as mentioned in the Letter of Offer) on or before October 9, 2015 by 5 PM.
 - The relevant Tender Form duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
 - Original share certificates.
 - Self attested copy of the Permanent Account Number (PAN) Card.
 - Transfer deed (Form SH 4) duly signed (by all Equity Shareholders in case shares are in joint names) in the same order in which they hold the shares.
- Eligible Persons should also provide all relevant documents in addition to the above documents. Such may include (but not limited to):
 - Duly attested Power of Attorney registered with the Registrar if any person other than the Eligible Persons has signed the relevant Tender / Offer Form.
 - Duly attested death certificate / succession certificate in case any Eligible Persons has expired.
 - Necessary corporate authorisations, such as Board Resolutions etc., in case of companies.
- Eligible Persons to whom the Buyback Offer is made are free to tender Equity Shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
- All documents sent by Seller Member / Custodian will be at their own risk and the Seller Member / Custodian are advised to adequately safeguard their interests in this regard.
- All documents as mentioned above, shall be enclosed with the valid Tender Form otherwise the shares will be liable for rejection. The shares shall be liable for rejection on the following grounds amongst others:
 - If there is any other company share certificate enclosed with the Tender Form instead of the share certificate of the Company;
 - If the transmission of shares is not completed, and the shares are not in the name of the Eligible Shareholder;
 - If the Eligible Shareholders bid the shares but the RTA does not receive the share certificate;
 - In case the signature in the Tender Form and Form SH 4 doesn't match as per the specimen signature recorded with Company/Registrar.

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY BACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUY BACK OFFER AT THE FOLLOWING ADDRESS QUOTING YOUR FOLIO NO.

Sharepro Services (India) Private Limited
 Unit: Clariant Chemicals (India) Limited - Buy Back
 Plot no 13 AB, Samhita Warehousing Complex,
 2nd Floor, Sakinaka Telephone Exchange Lane,
 Off Andheri-Kurla Rd, Sakinaka, Mumbai, Maharashtra - 400072
Tel.: +91 22 67720400 **Fax:** +91 22 28591568
Email: offer@shareproservices.com;
Contact Person: Mr. Anand Moolya

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
(FOR EQUITY SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORM)**

Date : _____

BUY BACK OPENS ON	:	Tuesday, September 22, 2015
BUY BACK CLOSES ON	:	Wednesday, October 07, 2015

For Registrar	
Inward No.	
Date	
Stamp	

Status: Please tick appropriate box		
Individual	<input type="checkbox"/>	Mutual Fund
Insurance Companies	<input type="checkbox"/>	Other QIBs
Company	<input type="checkbox"/>	Other NIB
Foreign Institutional Buyer	<input type="checkbox"/>	Financial Institution

To,

Board of Directors

Clariant Chemicals (India) Limited

C/o. Sharepro Services (India) Private Limited

(Unit: Clariant Chemicals (India) Limited - Buy Back)

Plot No 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane,

Off Andheri-Kurla Road, Sakinaka, Mumbai, Maharashtra - 400072

Tel.: +91 22 67720400 **Fax:** +91 22 28591568

Dear Sirs,

Sub: Letter of Offer dated September 9, 2015 to Buy Back not exceeding 35,78,947 Equity Shares of Clariant Chemicals (India) Limited (the "Company") at a price of ₹ 950/- (Rupees Nine Hundred and Fifty only) per Equity Share (the "Buy Back Offer Price") payable in cash.

- I/We (having read and understood the Letter of Offer dated September 9, 2015) hereby tender/offer my/our Equity Shares in response to the Buy Back on the terms and conditions set out below and in the Letter of Offer.
- I/We authorize the Company to Buy Back the Equity Shares offered (as mentioned below) and to issue instruction(s) to the Registrar to the Buy Back to extinguish the Equity Shares.
- I/We hereby warrant that the Equity Shares comprised in this Tender Offer are offered for Buy Back by me/us free from all liens, equitable interest, charges and encumbrance.
- I/We declare that there are no restraints/injunctions or other order(s) of any nature which limits/restricts in any manner my/our right to tender Equity Shares for Buy Back and that I/we am/are legally entitled to tender the Equity Shares for Buy Back.
- I/We agree that the Company will pay the consideration as per secondary market mechanism.
- I/We agree to receive, at my own risk, the invalid/unaccepted Equity Shares under the Buy Back Offer in the demat a/c from where I/we have tendered the Equity Shares in the Buy Back. In case if for any reason the Equity Shares cannot be credited to the above demat account, I/we agree to receive a single share certificate for the unaccepted Equity Shares in physical form.
- I/We undertake to return to the Company any Buy Back consideration that may be wrongfully received by me/us.
- I/We undertake to execute any further documents and give any further assurances that may be required or expedient to give effect to my/our tender/offer and agree to abide by any decision that may be taken by the Company to effect the Buy Back in accordance with the Companies Act, the New Companies Act and the Buy Back Regulations.
- Details of Equity Shares held and tendered / offered for Buy Back Offer:

	In Figures	In Words
Number of Equity Shares held as on Record Date		
Number of Equity Shares Entitled for Buy Back (Buy Back Entitlement)		
Number of Equity Shares offered for Buy Back		

Note: An Eligible Person may tender Equity Shares over and above his/her Buy Back Entitlement. Number of Equity Shares validly tendered by any Eligible Person up to the Buy Back Entitlement of such Eligible Person shall be accepted to the full extent. The Equity Shares tendered by any Eligible Person over and above the Buy Back Entitlement of such Eligible Person shall be accepted in accordance with Paragraph 19 of the Letter of Offer. Equity Shares tendered by any Equity Shareholders over and above the number of Equity Shares held by such Eligible Person as on the Record Date shall not be considered for the purpose of Acceptance.

----- Tear along this line -----

**Acknowledgement Slip
Clariant Chemicals (India) Limited – Buy Back
(to be filled by the Eligible Person) (subject to verification)**

Folio No./DP ID : _____ Client ID : _____

Received from Mr./Ms./M/s. _____ Form of Acceptance-cum-Acknowledgement

along with No. of Equity Shares offered for Buy Back (In Figures) _____ (In Words) _____

Please quote Client ID No. & DP ID No. for all future correspondence

STAMP OF BROKER

10. Details of Account with Depository Participant (DP):

Name of the Depository (tick whichever is applicable)	NSDL	CDSL
Name of the Depository Participant		
DP ID No.		
Client ID with the DP		

11. Equity Shareholders Details:

	First/Sole Holder	Joint Holder 1	Joint Holder 2	Joint Holder 3
Full Name(s) of The Holder				
Signature(s)*				
PAN No.				
Address of the First/ Sole Equity Shareholder				
Telephone No. / Email ID				

* Corporate must affix rubber stamp

INSTRUCTIONS

1. This Offer will open on September 22, 2015 and close on October 7, 2015.
2. This Tender Form has to be read along with the Letter of Offer and is subject to the terms and conditions mentioned in the Letter of Offer and this Tender Form.
3. The shares in the Offer shall be rejected if the Eligible Person is not a shareholder of the Company as on the Record date, if there is a name mismatch in the demat account of the Shareholder.
4. The Shareholders will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated buy back as decided by the Company.
5. Eligible Persons to whom the Offer is made are free to tender shares to the extent of their entitlement in whole or in part or in excess of their entitlement.
6. All documents sent by Eligible Persons will be at their own risk. Eligible Persons are advised to safeguard adequately their interests in this regard.

ALL FUTURE CORRESPONDENCE IN CONNECTION WITH THIS BUY BACK OFFER SHOULD BE ADDRESSED TO THE REGISTRAR TO THE BUY BACK OFFER AT THE FOLLOWING ADDRESS QUOTING YOUR CLIENT ID & DP ID.

Sharepro Services (India) Private Limited
 Unit: Clariant Chemicals (India) Limited - Buy Back
 Plot no 13 AB, Samhita Warehousing Complex,
 2nd Floor, Sakinaka Telephone Exchange Lane,
 Off Andheri-Kurla Rd, Sakinaka, Mumbai, Maharashtra - 400072
Tel.: +91 22 67720400 **Fax:** +91 22 28591568
Email: offer@shareproservices.com;
Contact Person: Mr. Anand Moolya

Form No. SH-4 - Securities Transfer Form

[Pursuant to Section 56 of the Companies Act, 2013 and Sub-Rule (1) of Rule 11 of the Companies (Share Capital and Debentures) Rules 2014]

Date of execution: ____ / ____ / ____

FOR THE CONSIDERATION stated below the "Transferor(s)" named do hereby transfer to the "Transferee(s)" named the securities specified below subject to the conditions on which the said securities are now held by the Transferor(s) and the Transferee(s) do hereby agree to accept and hold the said securities subject to the conditions aforesaid.

CIN:

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Name of the company (in full): Clariant Chemicals (India) Limited

BSE Limited & National Stock

Name of the Stock Exchange where the company is listed, (if any): Exchange of India Limited

DESCRIPTION OF SECURITIES:

Kind/ Class of securities (1)	Nominal value of each unit of security (2)	Amount called up per unit of security (3)	Amount paid up per unit of security (4)
Equity Shares	Rs.10.00	Rs.10.00	Rs.10.00
No. of Securities being Transferred		Consideration received (Rs.)	
In figures	In words	In words	In figures
Distinctive Number	Form		
	To		
Corresponding Certificate Nos.			

Transferors' Particulars

Registered Folio Number:

Name(s) in full	Signature(s)
1. _____	_____
2. _____	_____
3. _____	_____

I, hereby confirm that the transferor has signed before me.

Signature of the Witness: _____

Name of the Witness: _____

Address of the Witness: _____

Pincode: _____

Transferees' Particulars		
Name in full (1)	Father's/ Mother's / Spouse Name (2)	Address & E-mail id (3)
1. N A _____ _____ _____	1. _____ 2. _____ 3. _____	_____ _____ _____ Pin code _____
2. _____ 3. _____		
Occupation (4)	Existing Folio No., if any (5)	Signature (6)
1. _____ 2. _____ 3. _____		1. _____ 2. _____ 3. _____

Folio No. of Transferee

Value of Stamp affixed: Rs. _____

Specimen Signature of Transferee(s)

1. _____

2. _____

3. _____

Enclosures:

1. Certificate of shares or debentures or other securities
2. If no certificate is issued, Letter of allotment
3. Copy of PAN Card of all the Transferees (For all listed Cos.)
4. Others, Specify, _____

STAMPS

For Office Use Only

Checked by _____

Signature Talled by _____

Entered in the Register of Transfer on _____

_____ vide Transfer no _____

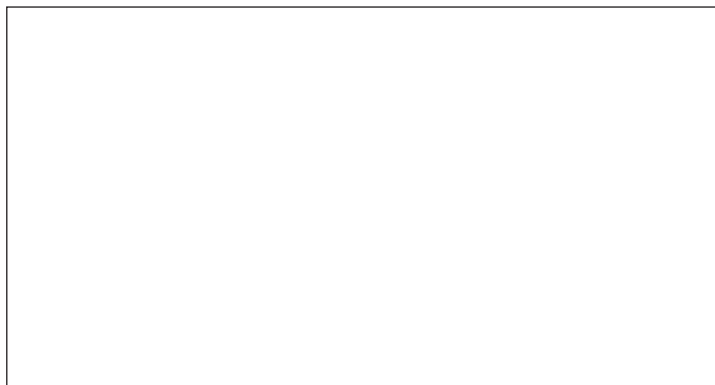
Approval Date _____

Power of attorney / Probate / Death certificate / Letter of Administration

Registered on _____ at

No _____

REGISTERED POST / SPEED POST



Clariant Chemicals (India) Limited

Buy Back Offer (Tender Route)

If undelivered, please return to:

Sharepro Services (India) Pvt. Ltd.

(Unit : Clariant Chemicals (India) Limited)

13 AB Samhita Warehousing Complex, 2nd Floor,
Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road,
Sakinaka, Andheri (E), Mumbai 400 072, Maharashtra.

Phone: 022 6772 0300, 022 6191 5400

CLARIANT 