



Date: 03.12.2022

To The Listing Department, National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra East, Mumbai – 400051. Scrip Code: CCL	To The Corporate Relations Department, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. Scrip Code: 519600
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Dear Sir/Madam,

Subject: Intimation of Demerger under Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In continuation to the announcement made by the Company on 02nd December, 2022, regarding approval given by the Board of Directors for the Demerger of the Marketing and Distribution Division of Coffee and FMCG Products of M/s. Continental Coffee Private Limited, Wholly Owned Subsidiary of the Company into the Parent Company, M/s. CCL Products (India) Limited upon the recommendation of the Audit Committee and Remuneration Committee, and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the details as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Part A of Schedule III of aforesaid regulations read with Clause 1.3 of **Annexure** of SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

This is for your information and necessary records.

Regards,
For CCL PRODUCTS (INDIA) LIMITED

Sridevi Dasari
Company Secretary & Compliance Officer

CCL PRODUCTS (INDIA) LIMITED

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Annexure

The details as required under Regulation 30 of Securities Exchange of Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

S. No	Particulars	Details
1.	The brief details of the division(s) to be demerged	<p>The Demerger takes effect by way of a Scheme of Arrangement ("Scheme") involving Demerged Undertaking of Continental Coffee Private Limited (hereinafter referred to as the "CCPL" or "Demerged Company"), into CCL Products (India) Limited (hereinafter referred to as the "CCL" or "Resulting Company").</p> <p>The Demerged Undertaking is primarily engaged in the business of marketing and distribution of coffee and FMCG products and food and beverages kiosks.</p>
2.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year;	<p>The turnover of the demerged division of the Demerged Company, i.e., Marketing and Distribution of Coffee and FMCG Products for the financial year ended March 31, 2022 was Rs. 1,73,20,38,000/-</p> <p>The turnover of the marketing and distribution division of coffee and FMCG products was 18.77% to the total turnover of the Resulting Company in the financial year ended March 31, 2022.</p>
3.	Rationale for the Demerger	<p>The Resulting Company is the Holding Company of the Demerged Company.</p> <p>i. The Demerged Company, presently, has two Divisions / undertakings viz. Marketing and Distribution of Coffee and FMCG Products and the Food and Beverage Kiosks Division including 'Coffee on Wheels'. Each of the businesses of the Demerged Company operates in different business environments, require different experience and are subject to different profitability, growth opportunities, future prospects and risks.</p>

ii. The nature of each of these businesses is distinct and consequently nature of considerations, factors and commercial parameters applicable to the business of Marketing and Distribution of Coffee and FMCG Products being different and divergent in nature in comparison to that of Food and Beverage Kiosks Division including 'Coffee on Wheels'. With a view to conduct the businesses more efficiently and more profitably, to enhance shareholders value, it is proposed to reorganize and segregate, by way of Demerger of Marketing and Distribution of Coffee and FMCG Products Division.

iii. The Demerger of Marketing and Distribution of Coffee and FMCG Products Division from the Demerged Company into the Resulting Company will facilitate the Demerged Company to focus on its remaining business of Food and Beverage Kiosks Division including 'Coffee on Wheels' by transfer of the Marketing and Distribution of Coffee and FMCG Products by way of demerger to the Resulting Company will enable the Resulting Company to focus on its Coffee manufacturing along with marketing and distribution business, both at international level and at domestic level with greater profitability, and would result in simplification of the Company's structure and improve cost efficiency of respective companies and would be to the benefit of all the stakeholders of both the Demerged and the Resulting Companies.

iv. The arrangement will further enable appropriate consolidation of activities of Demerged Company and Resulting Company with pooling and more efficient utilization of their resources, greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters.

v. The arrangement will improve the organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

		<p>vi. It is therefore, proposed that the Marketing and Distribution of Coffee and FMCG Products Division of the Demerged Company be segregated and demerged, pursuant to a Scheme of Arrangement and be transferred to the Resulting Company for achieving independent focus.</p> <p>vii. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business process, elimination of duplication and rationalization of administrative expenses.</p> <p>The managements of the respective Companies are of the view that this Scheme is in the interest of the customers, employees, lenders, vendors, shareholders and all other stakeholders of the respective Companies.</p>
4.	Brief details of change in shareholding pattern (if any) of all entities	No changes in shareholding pattern shall arise as the entities involved in the Scheme of Arrangement are Parent Company, CCL Products (India) Limited and its Wholly Owned Subsidiary, Continental Coffee Private Limited
5.	In case of cash consideration –amount or otherwise share exchange ratio;	Not Applicable as no cash consideration is involved and no share exchange ratio.
6.	Whether listing would be sought for the resulting entity	No, Listing shall not be sought for the resulting entity.