



February 07, 2024

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

**BSE Limited**  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street  
MUMBAI - 400 001

**Dear Sir/Madam,**

Company's Scrip Code in BSE : 543530  
Company's Symbol in NSE : PARADEEP  
ISIN : INE088F01024

**Sub: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations") – Outcome of the board meeting of Paradeep Phosphates Limited ("Company") held on February 07, 2024**

Pursuant to Regulation 30 read with Schedule III of the SEBI LODR Regulations and the circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 issued by the Securities and Exchange Board of India ("SEBI") dated July 13, 2023 (such circular, the "SEBI Disclosure Circular"), we wish to inform you that a meeting of the board of directors of the Company ("Board") was held today.

The Board, on the basis of the recommendation of the audit committee of the Company and the committee of independent directors of the Company, considered and approved a composite scheme of arrangement amongst Mangalore Chemicals & Fertilizers Limited ("Transferor Company"), the Company and their respective creditors and shareholders ("Scheme"), under Sections 230 to 232 of the Companies Act, 2013 ("Companies Act") and other applicable law(s), for, *inter alia*, the amalgamation of the Transferor Company with and into the Company by way of a merger.

At this meeting, the Board, *inter alia*, considered and approved / took on record the following:

1. The Scheme, which, *inter alia*, provides the following:
  - (a) the amalgamation by way of merger of the Transferor Company with and into the Company in accordance with Sections 230 to 232 of the Companies Act and other applicable laws;
  - (b) the transfer of 3,92,06,000 equity shares of the Transferor Company (the "Identified Shares") from Zuari Agro Chemicals Limited (the "Transferor Shareholder") to the Zuari Maroc Phosphates Private Limited (the "Transferee Shareholder");
  - (c) issuance and allotment of equity shares of the Resultant Entity (*as defined in the Scheme*) by the Resultant Entity (*as defined in the Scheme*) to the equity shareholders of the Transferor Company, as on the Record Date (*as defined in the Scheme*), based on the share exchange ratio as provided for in the Valuation Report;
  - (d) transfer of the authorized share capital of the Transferor Company to the Company and the consequential increase in the authorized share capital of the Company as provided in the Scheme; and
  - (e) dissolution without winding up of the Transferor Company.
2. Report of the Audit Committee of the Company recommending the Scheme.

## **PARADEEP PHOSPHATES LIMITED**

CIN No.: L24129OR1981PLC001020

Corporate Office: Adventz Center, 3<sup>rd</sup> Floor, No.28, Union Street, Off Cubbon Road, Bengaluru - 560 001

Tel: +91 80 46812500/555 • Email: info-ppl@adventz.com

Registered Office: Bayan Bhawan, Pandit J N Marg, Bhubaneswar - 751 001

Tel: +0674 666 6100 • Fax: +0674 2392631

www.paradeepphosphates.com



3. Report of the Committee of Independent Directors of the Company recommending the Scheme.
4. The valuation report dated February 07,2024 issued jointly by SSPA & Co Chartered Accountants (IBBI Registration No. IBBI/RV-E/06/2020/126) and Pawan Shivkumar Poddar (IBBI Registration No. IBBI/RV/06/2019/12475), registered valuers appointed by the audit committee of the Board.
5. The fairness opinion dated February 07,2024 issued by Inga Ventures Private Ltd, the SEBI registered merchant banker with registration number INM000012698 providing its opinion on the fairness of the share exchange ratio proposed in the aforesaid valuation report.
6. The certificate dated February 07,2024 issued by B S R & Co. LLP, the statutory auditors of the Company, certifying that the accounting treatment contained in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act read with the rules framed thereunder or the accounting standards issued by the Institute of Chartered Accountants of India, as applicable and other generally accepted accounting principles.
7. The report of the Board in terms of Section 232(2)(c) of the Companies Act.
8. The execution of a merger cooperation agreement between the Company and the Transferor Company, which sets out *inter alia* the manner of implementation of the proposed amalgamation pursuant to the Scheme.

The Scheme is subject to necessary statutory and regulatory approvals of: (i) the shareholders/ the creditors of the Company and the Transferor Company; (ii) the BSE Limited and the National Stock Exchange of India Limited (collectively referred to as the “**Stock Exchanges**”); (iii) Competition Commission of India; (iv) the relevant jurisdictional National Company Law Tribunals; and (v) any other regulatory approval(s), permission(s), consent(s), sanction(s), exemption(s), as may be required under applicable laws.

The details as required under Regulation 30 read with Schedule III of the SEBI LODR Regulations and the SEBI Disclosure Circular are provided in the enclosed Annexure A.

The proposed Scheme has been recommended for approval by each of the Audit Committee of the Company and the Committee of Independent Directors at their respective meetings held on February 07, 2024.

The above information is also available on the Company’s website: [www.paradeepphosphates.com](http://www.paradeepphosphates.com).

The Board Meeting commenced at 17:30 hours and concluded at 18:25 hours.

We humbly request you to take note of the same.

Thanking you,

Yours sincerely,  
For and on behalf of **Paradeep Phosphates Limited**

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Sachin Patil  
Company Secretary  
ACS 31286



**Annexure A**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover, etc.	<p><b><u>Transferee Company (i.e., the Company):</u></b> Paradeep Phosphates Limited, a public listed company incorporated under the laws of the Companies Act, 1956 with corporate identity number L24129OR1981PLC001020 and having its registered office at 5<sup>th</sup> Floor, Bayan Bhavan, Pandit J N Marg, Bhubaneswar – 751 001. The equity shares of the Company are listed on the Stock Exchanges. The Company is <i>inter alia</i> engaged in the business of manufacture and sale of di-ammonium phosphate, complex fertilizers of NPK grades, urea, zypmite (gypsum-based product) and trading of fertilizers, ammonia, phosphogypsum, and other similar materials ancillary or incidental thereto.:</p> <ul style="list-style-type: none"> <li>• <u>Paid up capital:</u> INR 814.74 crores as on September 30, 2023</li> <li>• <u>Turnover:</u> INR 9,332.38 crores as on December 31, 2023</li> <li>• <u>Net worth:</u> INR 3,436.20 as on September 30, 2023</li> <li>• <u>Profit after tax:</u> INR 78.94 as on December 31, 2023</li> </ul> <p><b><u>Transferor Company:</u></b> Mangalore Chemicals &amp; Fertilizers Limited, a public listed company incorporated under the laws of the Companies Act, 1956 with corporate identity number L24123KA1966PLC002036 and having its registered office at Level 11, UB Tower, UB City, No. 24, Vittal Mallya Road, Bengaluru – 560 001. The equity shares of the Transferor Company are listed on the Stock Exchanges. The Transferor Company is <i>inter alia</i> engaged in the business of manufacture, purchase, import and sale of fertilizers.</p> <ul style="list-style-type: none"> <li>• <u>Paid up capital:</u> INR 118.55 crores as on December 31, 2023</li> <li>• <u>Turnover:</u> INR 3,009.05 crores as on December 31, 2023</li> <li>• <u>Net worth:</u> INR 902.18 crores as on September 30, 2023</li> <li>• <u>Profit after tax:</u> INR 149.97 crores as on December 31, 2023</li> </ul>
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”	<p>The proposed amalgamation will not attract the requirements of Section 188 of the Companies Act, 2013 (related party transactions) pursuant to the clarifications provided by the Ministry of Corporate Affairs by way of its General Circular No. 30/2014 dated July 17, 2014.</p> <p>However, the proposed amalgamation may be considered a ‘related party transaction’ under the SEBI LODR Regulations.</p> <p>As per the valuation report dated February 07,2024 prepared jointly by SSPA &amp; Co Chartered Accountants (IBBI Registration No. IBBI/RV-E/06/2020/126) and Pawan Shivkumar Poddar (IBBI Registration No. IBBI/RV/06/2019/12475), the consideration for the Scheme (i.e., the issuance of the equity shares of the Company to the shareholders of the Transferor Company) will be discharged on an arm’s length basis.</p>



<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
c)	Area of business of the entity(ies)	Please refer to paragraph (a) above.
d)	Rationale for amalgamation/ merger	<p>The Company and the Transferor Company are of the view that: (i) the proposed amalgamation of the Transferor Company with and into the Company; and (ii) the other arrangements contemplated in the Scheme, would be to the benefit of the shareholders and creditors of the Transferor Company and the Company and would <i>inter alia</i> have the following benefits:</p> <p>(a) The proposed amalgamation will enable the Transferor Company and the Company to combine their businesses and create a strong amalgamated company, and to become one of the leading private-sector fertiliser companies in India;</p> <p>(b) The Transferor Company and the Company are engaged in similar and/or complementary businesses and the proposed amalgamation pursuant to the proposed Scheme will create synergies between their businesses, including revenue synergies through sharing of consumer understanding, market insights and channel models to ensure faster reach to the market and to achieve faster growth;</p> <p>(c) The proposed amalgamation is expected to <i>inter alia</i> result in reduction of costs, better alignment, coordination and streamlining the day-to-day operation of all the units of the Transferor Company and the Company, strengthening of organizational capabilities around financial areas, driving scale benefits through pooling of resources, simplification of the corporate structure and elimination of administrative duplications by streamlining the legal, compliance and other statutory functions to allow a more coordinated approach towards governance of the businesses of the Company; and</p> <p>(d) The proposed amalgamation is expected to create enhanced value for the stakeholders of the Transferor Company and the Company.</p>
e)	In case of cash consideration – amount or otherwise share exchange ratio	(a) Upon Part II of the Scheme coming into effect on the Effective Date 2 (as defined in the Scheme) and in consideration of the amalgamation including the transfer and vesting of the undertaking of the Transferor Company with the Company pursuant to this Scheme, the Company will, issue and allot to each equity shareholder of the Transferor Company, as on the Record Date ( <i>as defined in the Scheme</i> ), 187 (One hundred and Eighty Seven) fully paid-up equity share(s) of INR 10 (Indian Rupees Ten) each of the Company for every 100 (One Hundred) fully paid-up equity share(s) of INR 10 (Indian Rupees Ten) each of the Transferor Company.



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		<p>(b) As per the Scheme, the transfer of all the Identified Shares from the Transferor Shareholder to the Transferee Shareholder is to be undertaken, at a price of INR 144 (Indian Rupees One Hundred and Forty Four) per Identified Share, and the Transferee Shareholder is required to discharge an aggregate consideration of INR 564.57 crores (Indian Rupees Five Hundred and Sixty Four Crore and Fifty Seven Lakhs approximately) as consideration for such share transfer, subject to any taxes that need to be deducted at source, if any.</p> <p>The valuation report dated February 07, 2024 have been jointly issued by SSPA &amp; Co Chartered Accountants (IBBI Registration No. IBBI/RV-E/06/2020/126) and Pawan Shivkumar Poddar (IBBI Registration No. IBBI/RV/06/2019/12475), registered valuers, respectively. The fairness opinion dated February 07, 2024 has been issued by Inga Ventures Private Ltd, a SEBI registered merchant banker.</p>																													
f)	Brief details of change in shareholding pattern (if any) of listed entity	<p>The brief details of the shareholding of the companies involved in the Scheme, pre and post the effectiveness of the Scheme are as follows:</p> <p><b><u>Transferee Company (i.e., the Company)<sup>#</sup>:</u></b></p> <table border="1" data-bbox="563 1084 1426 1552"> <thead> <tr> <th rowspan="2">Category</th> <th colspan="2">Pre Scheme</th> <th colspan="2">Post Scheme</th> </tr> <tr> <th>No. of equity shares</th> <th>% of equity shares</th> <th>No. of equity shares</th> <th>% of equity shares</th> </tr> </thead> <tbody> <tr> <td>Promoter and Promoter Group*</td> <td>45,69,42,507</td> <td>56.08</td> <td>58,89,54,219</td> <td>56.83</td> </tr> <tr> <td>Public</td> <td>35,77,96,946</td> <td>43.92</td> <td>44,74,08,560</td> <td>43.17</td> </tr> <tr> <td>Non-Promoter and Non-Public</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td><b>Total</b></td> <td><b>81,47,39,453</b></td> <td><b>100</b></td> <td><b>103,63,62,779</b></td> <td><b>100</b></td> </tr> </tbody> </table> <p><sup>#</sup>This does not take into account the shares under ESOP Scheme which may result in issuance of additional 33,58,166 Equity Shares on exercise of stock-options.</p> <p>*Per Clause 31 of the Scheme of Arrangement. the parties considered therien have been considered as Promoters for the above disclosure.</p>	Category	Pre Scheme		Post Scheme		No. of equity shares	% of equity shares	No. of equity shares	% of equity shares	Promoter and Promoter Group*	45,69,42,507	56.08	58,89,54,219	56.83	Public	35,77,96,946	43.92	44,74,08,560	43.17	Non-Promoter and Non-Public	0	0	0	0	<b>Total</b>	<b>81,47,39,453</b>	<b>100</b>	<b>103,63,62,779</b>	<b>100</b>
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Sr. No.	Particulars	Details				
		<b>Transferor Company*:</b>				
		<b>Category</b>	<b>Pre Scheme</b>		<b>Post Scheme</b>	
			No. of equity shares	% of equity shares	No. of equity shares	% of equity shares
		Promoter and Promoter Group**	7,18,51,686	60.63	N/A	N/A
		Public	4,66,63,464	39.37	N/A	N/A
		Non- Promoter and Non- Public	<u>0</u>	<u>0</u>	N/A	N/A
		<b>Total</b>	<b>11,85,15,150</b>	100	N/A	N/A
		<p>* The Transferor Company will cease to exist upon the effectiveness of the Scheme in accordance with its terms.</p> <p>** This takes into account the transfer of the Identified Shares from the Transferor Shareholder to the Transferee Shareholder.</p>				

Yours sincerely,  
For and on behalf of **Paradeep Phosphates Limited**

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Sachin Patil  
Company Secretary  
ACS 31286  
Place: Bengaluru  
Date: 07.02.2024

