

Ref. No: 2023-24/031

June 29, 2023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Scrip Code: COROMANDEL

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
Scrip Code: 506395

Dear Sir / Madam,

Subject : Acquisition of equity stake in Dhaksha Unmanned Systems Private Limited by Coromandel Technology Limited, a wholly owned subsidiary of the Company

We write to inform you that the Board of Directors of Coromandel International Limited at its meeting held today, i.e., June 29, 2023, considered and approved the following:

1. Acquisition of 32.68% equity stake in Dhaksha Unmanned Systems Private Limited (Dhaksha) by Coromandel Technology Limited, a wholly owned subsidiary of the company; and
2. Sale and transfer of 18.34% equity stake in Dhaksha at cost by Dare Ventures Limited, a wholly owned subsidiary of the company, to Coromandel Technology Limited.

Post completion of the above transactions, the Company, through its wholly owned subsidiary, Coromandel Technology Limited, will hold 51.02% equity stake in Dhaksha, a leading drone manufacturing company.

The details relating to the above investment are enclosed as **Annexure-I**, as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015,

We request you to take the above on record and acknowledge the same.

Thanking you,

Yours sincerely,
For **Coromandel International Limited**

Rajesh Mukhija
Sr. Vice President – Legal &
Company Secretary

Enclosure: Annexure I

Annexure -I

Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

Disclosure Requirement	Details
a) Name of the target entity, details in brief such as size, turnover etc.	<p>Dhaksha Unmanned Systems Private Limited (Dhaksha), incorporated in 2019 and headquartered in Chennai, is a leading player in drone space in India, providing complete range of Unmanned Aerial Systems (UAS) technology solutions across Agriculture, Defense, Surveillance and Enterprise applications. It also offers Remote Pilot training services.</p> <p>Issued and Paid-up equity share capital of Dhaksha is Rs. 1.31 Lakhs. The turnover of Dhaksha for FY 2021-22 was Rs. 4.52 crores.</p>
b) Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms' length".	The acquisition does not fall within the meaning of a related party transaction. The Promoter/ Promoter Group/ Group Companies do not have any interest in the entity being acquired.
c) Industry to which the entity being acquired belongs.	Unmanned Aerial Systems (UAS) and related equipment.
d) Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if the business is outside the main line of business of the listed entity).	Investment in Dhaksha is in continuation with Coromandel's strategy to identify promising avenues of growth outside its core operations which would be value accretive for its shareholders. It will facilitate Coromandel's presence in the fast-growing UAS segment where drones and its applications are expected to exponentially grow and reach a global market size of \$90 Billion by 2030. This investment follows the company's recent announcement of its entry into Specialty Chemicals and Contract Manufacturing (CDMO) businesses.

Disclosure Requirement	Details
	The Company's investment, through its wholly owned subsidiary, in Dhaksha also underscores its commitment to help Indian farmers access latest technologies in agriculture. The Company believes the drone technology will be a game changer in increasing the adoption of water-soluble fertilisers, liquid fertilisers, nano fertilisers, in addition to the crop protection products in India.
e) Brief details of any governmental or regulatory approvals required for the acquisition.	Not applicable.
f) Indicative time period for completion of the acquisition.	The acquisition is likely to be completed during the second quarter of FY 2023-24.
g) Nature of consideration – whether cash consideration or share swap and details of the same.	Cash Consideration
h) Cost of acquisition or the price at which the shares are acquired.	The total cost of acquisition will be Rs. 204.24 Crores.
i) Percentage of shareholding / control acquired and/or number of shares acquired.	Coromandel Technology Limited is acquiring 32.68% equity stake in Dhaksha. It is also acquiring at cost 18.34% equity stake in Dhaksha from Dare Ventures Ltd., a wholly owned subsidiary of the Company.
j) Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which acquired entity has presence and any other significant information (in brief).	Dhaksha, incorporated in 2019 and headquartered in Chennai, is a leading player in drone space in India, providing complete range of Unmanned Aerial Systems (UAS) technology solutions across Agriculture, Defense, Surveillance and Enterprise applications. It also offers Remote Pilot training services and has trained over 950 pilots till date. Currently, it is the only player in the country to receive type certificates from DGCA for 3 drone models in medium & small categories for agriculture and surveillance applications. Besides operating in the electric drone segment, it is the only player in India to offer type certified petrol engine-based Hybrid Agri Drones.

Disclosure Requirement	Details								
	<p>The company has been shortlisted under the Production-Linked Incentive (PLI) scheme for promoting the manufacturing of drones and drone components in the country in 2022 and is building a strong order book.</p> <p>Date of Incorporation: 02 April 2019</p> <p>Last 3 years turnover:</p> <table border="1" data-bbox="824 667 1328 810"> <thead> <tr> <th data-bbox="824 667 1052 709">Financial Year</th> <th data-bbox="1052 667 1328 709">Turnover (Rs. Crores)</th> </tr> </thead> <tbody> <tr> <td data-bbox="824 709 1052 741">2019-2020</td> <td data-bbox="1052 709 1328 741">3.00</td> </tr> <tr> <td data-bbox="824 741 1052 772">2020-2021</td> <td data-bbox="1052 741 1328 772">6.06</td> </tr> <tr> <td data-bbox="824 772 1052 810">2021-2022</td> <td data-bbox="1052 772 1328 810">4.52</td> </tr> </tbody> </table>	Financial Year	Turnover (Rs. Crores)	2019-2020	3.00	2020-2021	6.06	2021-2022	4.52
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