



ANUPAM RASAYAN INDIA LTD.

ARILSLDSTX20220201065

Date: February 1, 2022

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001, India SCRIP CODE: 543275	To, Sr. General Manager National Stock Exchange of India Limited 'Exchange Plaza', C-1, Block-G, Bandra Kurla Complex Bandra (East), Mumbai 400051, India SYMBOL: ANURAS
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Dear Sir / Madam,

Sub: Press Release Intimation

Pursuant to Regulation 30 and other applicable regulations, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Press Release which shall be issued by the Company today i.e. Tuesday, February 1, 2022.

This Press Release will be available on the website of the Company www.anupamrasayan.com.

We request you to kindly take note of the same.

Thanking You,

Yours faithfully,

For, Anupam Rasayan India Limited

Anand Desai,
Managing Director
DIN: 00038442



Encl.: As above

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Anupam Rasayan to acquire stake in Tanfac Industries from Birla Group Holdings Private Limited and Others

Surat, February 01, 2022: Anupam Rasayan India Ltd. (NSE, BSE: ANURAS) (“ARIL”), one of India’s leading custom synthesis and speciality chemical players, today announced that its Board of Directors has approved the acquisition of 24.96% of the total equity shareholding of and joint control of Tanfac Industries Limited (“TIL”) from Birla Group Holdings Private Limited (“BGH”), (a promoter company which is part of Aditya Birla Group) and few other promoter group of TIL (“Sellers”) and the launching of an open offer under the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 to acquire a further 26% shareholding from the public shareholders of TIL. ARIL has also executed an amendment agreement to the joint venture agreement dated 4 October 1980 between Tamil Nadu Industrial Development Corporation (“TIDCO”) and Birla Group Holdings Private Limited pursuant to which ARIL will replace BGH as the joint venture partner of TIDCO in TIL, subject to compliance with the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011. The consideration for the acquisition of shares from the Sellers is ₹ 148.14 crores and the open offer (assuming full acceptance) is ₹ 154.31 crores which will be funded through debt. Pursuant to the acquisition, ARIL will become a promoter and will have joint control in TIL along with TIDCO.

Incorporated in 1972, TIL is a specialty fluorides chemical manufacturer. The company is also a leading producer of Hydrofluoric Acid and is engaged in manufacturing other organic and inorganic fluorine-based products such as Aluminium Fluoride, Sodium Silico Fluoride, Potassium Fluoride. In addition to that, Sulphuric Acid and Oleum are key products of the company. The company has one manufacturing unit at Cuddalore, Tamil Nadu, spread across 60 acres and strategically located adjacent to the Cuddalore Port. TIL posted revenue of ₹253 crores, EBITDA of ₹65 crores and PAT of ₹46 crores till Q3 of FY2022. The deal is taking place at P/E multiple of ~13 times considering PAT of trailing four quarters.

This acquisition is a strategic decision to expand the product series under the fluorination chemistry of ARIL. It brings synergies by way of backward integration initially as ARIL is one of the largest consumers of Potassium Fluoride in India which would be supplied by TIL. With access to these basic fluoro compounds and the expertise of ARIL’s core R&D team we will be able to introduce niche value adding fluorine derivatives in the coming years. ARIL will also strengthen the TIL’s team by adding highly experienced professionals in its R&D and plant level.

Speaking about the Acquisition, **Anand Desai, Managing Director of ARIL**, said, *“We are very pleased to announce our investment in Tanfac industries. Tanfac is strategically fit for our fluorination chemistry business. This will not only reduce our import dependence but will also let us launch new derivatives under this chemistry which was not possible earlier. We will add niche fluoro derivatives which will have application in Crop protection, Pharma intermediates and Polymers such as Fluoro Elastomers and Fluoro Electrolytes and other Polymers which have application in Polyamide and Semiconductors. We will also expand the speciality chemical business of TIL, thereby improving existing margins of TIL. This business will be EPS accretive from day one. We aim to unlock the full potential of the Tanfac Industries and drive significant value creation through synergies between Anupam and Tanfac.”*

Singhi Advisors is the financial advisor for this transaction. Edelweiss Financial Services Limited acted as manager to the open offer and Shardul Amarchand Mangaldas & Co., Advocates and Solicitors as the legal advisor to the transaction.

About Anupam Rasayan India Ltd. (ARIL):

Anupam Rasayan India Ltd (ARIL) is one of the leading companies engaged in the custom synthesis (CSM) and manufacturing of specialty chemicals in India. Formed as a partnership firm in 1984, and converted into a company on September 30, 2003, the speciality chemicals major has two verticals: Life science related Specialty Chemicals comprising products related to Agrochemicals, Personal Care and Pharmaceuticals and other Specialty Chemicals comprising Specialty Pigment and Dyes, and Polymer Additives. ARIL operates via its six manufacturing facilities in Gujarat, India, with four facilities located at Sachin, Surat and two at Jhaghadia, Bharuch, with an aggregate installed capacity of 27,049 MT as of September 30, 2021.

ARIL offers multistep synthesis and undertakes complex chemical reactions technologies for a diverse base of Indian and global customers. The focus is to develop innovative in-house processes for manufacturing products requiring complex chemistries and achieving cost optimization.

For further details please get in touch with:

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