

December 22, 2017

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No.C/1
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051.

BSE Limited
Phiroze Jeejeebhoy Towers
Mumbai-400001

Dear Sirs,

Scrip Code: COROMANDEL/506395

SUB: DISCLOSURE UNDER REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

We would like to inform you that the Board of Directors, at its meeting held today, has approved acquisition of the Bio Pesticides Business of E.I.D Parry (India) Limited (EID Parry) and also the acquisition of Parry America Inc., USA, a wholly owned subsidiary of EID Parry.

The Bio-Pesticides business consist of manufacture and marketing of Neem based Azadirachtin Technical and Formulations, Plant extract based Bio-stimulants, Micronutrients, Microbials, etc. and it has brands that are well established in India and globally. The business has a manufacturing facility in Tamil Nadu.

Parry America, Inc, is headquartered in US and sources Azadirachtin technical from Bio-Pesticides business in India, formulates and markets the products in North and South America, Canada and adjacent markets of USA.

The above will be subject to the required approvals being obtained including that of the shareholders of the Company under Section 188 of the Companies Act 2013.

Details as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015 are given in Annexures - A and B.

We request you to take the above information on record.

Thanking you,

Yours faithfully,
For Coromandel International Limited


P Varadarajan
Company Secretary

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Sr. No.	Details of Events that need to be provided	Information of such events
1	Name of the target entity, details in brief such as size, turnover etc.;	<p>a) Bio Pesticides Business of E.I.D. Parry (India) Ltd., which had a turnover of Rs.121.74 crore in 2016-17; and</p> <p>b) Parry America Inc., USA, a wholly owned subsidiary of E.I.D. Parry (India) Ltd., which had a turnover of US \$ 8.525 million in 2016-17.</p> <p>The consolidated turnover of the Bio Pesticides Business of E.I.D. Parry (India) Limited was Rs.123.36 crore.</p>
2	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 "arm's length";	Yes. The Company (Coromandel International Limited) is a subsidiary of E.I.D. Parry (India) Ltd., which holds 60.62% of the paid up share capital of the Company. The total shareholding of the Promoters in the Company is 61.84%. The sale consideration for the acquisition is based on independent valuation carried out by two reputed Chartered Accountant Firms and the same is done at "arm's length".
3	Industry to which the entity being acquired belongs;	Manufacturing and marketing of Bio Pesticides, Bio stimulants, Micronutrients and microbials in India and globally.
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	Bio Pesticides are Integral to Pest Management along with chemical pesticide and supplement to the initiatives of the company in providing means to farmers for sustainable agriculture. It has synergic fit with the existing business operations of the Company, including distribution channel and complementary market that would provide growth for both Chemical Pesticides and Bio Pesticides.
5	Brief details of any governmental or regulatory approvals required for the acquisition;	The acquisition will be subject to approval of the shareholders of the Company and other regulatory authorities, as may be applicable.
6	Indicative time period for completion of the acquisition;	The acquisition is expected to be completed by April 2018.
7	Nature of consideration - whether cash consideration or share swap and details of the same;	The total consideration is Rs. 338 crore and the same will be paid in cash.

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8	Cost of acquisition or the price at which the shares are acquired;	The total consideration is Rs. 338 crore including the consideration for the shares held in PAI. The sale is on a slump sale basis, subject to adjustment for change in working capital, if any.
9	Percentage of shareholding / control acquired and / or number of shares acquired;	Not applicable for Bio Pesticides Business. The 100% shareholding in Parry America, Inc., USA, (PAI) is being acquired. The share capital of PAI consist of 776.48 Common stock of \$100 par value.
10	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 the acquired entity has presence and any other significant information (in brief);	Not applicable as the acquisition is one of the business divisions of the Seller. Details of the consolidated turnover of the Bio Pesticides Business for the last three years are given below: 2014-15 – Rs. 95.31 crore 2015-16 – Rs.107.36 crore 2016-17 – Rs.123.36 crore Apart from domestic market in India, the products are largely exported to USA, Europe and Canada.

Signature

Annexure-B

Sr. No.	Details of Events that need to be provided	Information of such events
1	Name(s) of parties with whom the agreement is entered	A term sheet has been signed with E.I.D Parry (India) Limited on December 22, 2017. Definitive Agreements would be executed in due course.
2	Purpose of entering into the agreement	Acquisition of Bio-Pesticide Business of E.I.D. Parry (India) Limited.
3	Size of agreement	The sale consideration is Rs. 338 crore.
4	Shareholding, if any, in the entity with whom the agreement is executed;	E.I.D Parry (India) Limited is a holding company and it holds 60.62% of paid up share capital of the Company.
5	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.	No such special rights are given. The acquisition is the Bio Pesticides Business of E.I.D Parry (India) Limited
6	Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;	Mr. A Vellayan, Chairman of the Company, is also the Chairman of E.I.D Parry (India) Limited. Mr. V Ravichandran is the Vice Chairman on the Board of the Company and also E.I.D. Parry (India) Limited.
7	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	Yes. Transaction is a related party transaction. The transaction is at "arm's length". The sale consideration for the acquisition is based on independent valuation carried out by two reputed firm of Chartered Accountants.
8	In case of issuance of shares to the parties, details of issue price, class of shares issued;	Not applicable.
9	In case of loan agreements, details of lender, nature of the loan, total amount of loan granted, total amount outstanding, date of execution of the loan agreement/sanction letter, details of the security provided to the lenders for such loan	Not Applicable

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10	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc	The Agreement is with the holding company. Mr. A Vellayan, Chairman of the Company, is also the Chairman of E.I.D Parry (India) Limited. Mr. V Ravichandran is the Vice Chairman on the Board of the Company and also E.I.D. Parry (India) Limited.
11	In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s): i) name of parties to the agreement ; ii.) nature of the agreement; iii) date of execution of the agreement; iv) details of amendment and impact thereof or reasons of termination and impact thereof	Not applicable.

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