MCF
Mangalore Chemicals
& Fertilizers Limited

722/OPENOFFER-IDC/2014/

September 29, 2014

Bangalore Stock Exchange Limited
Bombay Stock Exchange Limited
National Stock Exchange of India Limited

Dear Sir/Madam,

Company's Scrip Code in BSE	: 530011 MANGCHEM
Company's Symbol in NSE	: MANGCHEFER
ISIN	: INE558B01017

Dear Sir/Madam,

Sub: Recommendation of IDC in respect of Open Offer / Competing Offer

Pursuant to Regulation 26(7) of the SAST Regulations, 2011, please find attached copy of the recommendation of the Committee of Independent Directors (IDC) published in the newspapers on 29.9.2014.

Thanking you,

Yours faithfully,
For Mangalore Chemicals & Fertilizers Limited

Satish Kumar S S
DGM (Legal) & Asst. Company Secretary

Encl: As above

CC:

JM Financial Institutional Securities Limited
7th Floor, Cnergy, Appasaheb Marathe Marg
Prabhadevi, MUMBAI – 400 025

Ambit Corporate Finance Pte Limited
Ambit House, 449, Senapati Bapat Marg
Lower Parell, MUMBAI – 400 013

Securities and Exchange Board of India
Plot No.C4-A,'G' Block
Bandra Kurla Complex
Bandra (East), Mumbai 400051

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Mangalore Chemicals & Fertilizers Limited

Registered Office: Level 11, UB Tower, UB City, 24, Vittal Mallya Road, Bangalore 560 001.
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Recommendations of the Committee of Independent Directors (IDC) on the Open Offer/Competing Offer to the Shareholders of Mangalore Chemicals & Fertilizers Limited under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

1	Date	September 26, 2014	
2	Name of the Target Company (TC)	Mangalore Chemicals & Fertilizers Limited	
3	Details of the Offer pertaining to TC	Open/Competing Offers for acquisition of upto 30,813,939 equity shares representing 26% of the equity share capital of Mangalore Chemicals & Fertilizers Limited, (target company) to the public shareholders of the target company	
4	Name(s) of the acquirer and PAC with the acquirer	Acquirer SCM Soilfert Limited Person Acting in Concert (PAC) Deepak Fertilisers and Petrochemicals Corporation Limited	Acquirer Zuari Fertilisers and Chemicals Limited Person Acting in Concert (PAC) Zuari Agro Chemicals Limited United Breweries (Holdings) Limited Kingfisher Finvest India Limited McDowell Holdings Limited
5	Name of the Manager(s) to the offer	JM Financial Institutional Securities Ltd., 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, MUMBAI - 400025, India Tel: +91 22 6630 3030 Fax: +91 22 6630 3330 Contact Person: Ms. Lakshmi Lakshmanan Email: lakshmi.lakshmanan@jmfl.com	Ambit Corporate Finance Pte Ltd. Ambit House, 449, Senapati Bapat Marg, Lower Parel, MUMBAI – 400 013, India Tel: +91 22 3982 1819 Fax: +91 22 3982 3020 Contact Person: Mr. Praveen Kumar Sangal Email: mcflopenoffer@ambitpte.com ICICI Securities Ltd., ICICI House, H T Parekh Marg, Churchgate MUMBAI – 400 020, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Contact Person: Mr. Ayush Jain / Mr. Vishal Kanjani Email: project.ather@icicisecurities.com
6	Members of the Committee of Independent Directors *(Please indicate the chairperson of the Committee separately)*	Mr. Pratap Narayan, Chairman of the IDC	
7	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	The IDC member an Independent Director of the Target Company, does not hold any equity shares in the Target Company and has no contracts/relationship with the Target Company	
8	Trading in the Equity shares/other securities of the TC by IDC Members	The IDC member has not traded in the equity shares/other securities of the Target Company	
9	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any	The IDC member does not hold any shares or other securities of Acquirer or PAC and has no contracts/relationship with Acquirer, PAC or their respective Directors	
10	Trading in the Equity shares/other securities of the acquirer by IDC Members	None	
11	Recommendation on the Open offer, as to whether offer is fair and reasonable	The prices offered by SCM Soilfert Limited along with PAC in the open offer at Rs.63 per equity share and Zuari Fertilisers and Chemicals Limited along with PACs in the competing offer at Rs.68.55 per equity share are in line with the provisions of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and to that extent, fair and reasonable. The above have been revised to Rs.93.60 per equity share and Rs.81.60 per equity share respectively.	
12	Summary of reasons for recommendation	Today the scrip has closed at the upper circuit of Rs.88.10 on BSE and Rs.87.70 on NSE. Accordingly shareholders should independently evaluate the open offer and competing offer, as revised above, and take an informed decision in the matter.	
13	Details of Independent Advisors, if any	None	
14	Any other matter(s) to be highlighted	None	

Statement by the IDC – "To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the Takeover Code."

For and on behalf of the Committee of Independent Directors
Mangalore Chemicals & Fertilizers Limited

Sd/-
Pratap Narayan
Chairman - Committee of Independent Directors

Place : New Delhi
Date : 26.9.2014